

Cameron Appraisal District

San Benito, Texas

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2011

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Fiscal Year Ended December 31, 2011



Prepared By:

Oscar R. Gonzalez, CPA & Associates, PLLC

CAMERON APPRAISAL DISTRICT

San Benito, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2011

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CAMERON APPRAISAL DISTRICT

San Benito, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2011

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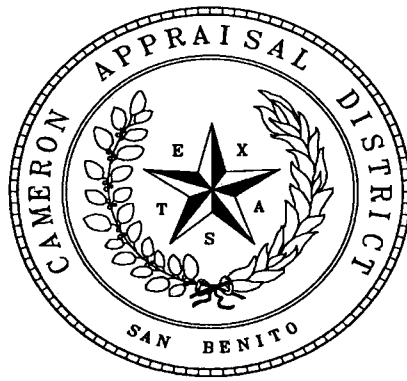
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INTRODUCTORY SECTION



CAMERON APPRAISAL DISTRICT

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Members of the Board
Jose Noe Diaz, Sr., Chairman
Janice A. Cassidy, Vice-Chairperson
Jesse Villarreal, Secretary
Carlos H. Cascos
Enrique Escobedo, Jr.
Roberto Garcia
Tony Gutierrez
Vicente Mendez
Robert Pinkerton, Jr.
Tony Yzaquirre, Jr.

April 5, 2012

The Honorable Members of the Board
Cameron Appraisal District
San Benito, Texas

Ladies and Gentlemen:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Cameron Appraisal District (the District) for the fiscal year ended December 31, 2011, with the Independent Auditors' Report, submitted in compliance with Section 6.063, Texas Tax Code, which requires an audit of the financial affairs of an appraisal district by an independent certified public accountant.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. I believe that the data, as presented, is accurate in all material respects; that its presentation fairly shows the financial position and the results of the District's operations as measure by the financial activity of its various funds; and that the included disclosures will provide the reader with an understanding of the District's financial affairs.

This is the seventh year the District prepares the CAFR using the new financial reporting requirements as prescribed by the GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (GASB 34). This GASB Statement requires that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of Management's Discussion & Analysis to accompany the Basis Financial Statements in the form of a Management's Discussion & Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to both protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent certified public accounting firm of Oscar R. Gonzalez, CPA & Associates, PLLC has audited the financial statements and related notes. The goal of the independent audit was to provide reasonable assurance that the District's financial statements, for the year ended December 31, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an opinion that the District's financial statements for the year ended December 31, 2011, are fairly presented in conformity with Generally Accepted Accounting Principles. The independent auditors' report is presented as the first component of the financial section of this report.

The District and Its Services

The District is a political subdivision of the State of Texas established in 1980, following the codification of property tax laws by the 66th Texas Legislature in 1979. The 1979 codification established one appraisal district in each of the state's 254 counties, with the exception of Potter and Randall Counties that are combined for one appraisal district, for the purpose of discovering and appraising property for *ad valorem* tax purposes for each tax unit within the boundaries of the appraisal district. The District, the fifteenth largest in the state, serves 40 taxing units.

Board of Directors

The District is governed by a ten-member Board of Directors. Nine directors are appointed by the taxing units within the county. The tenth member is the county tax assessor-collector and serves as a nonvoting director.

The Board of Directors has policy-making authority; appoints the chief appraiser who is administrator of the District, the taxpayer liaison officer, and the Appraisal Review Board; primary responsibility for fiscal matters, including approval of major contracts; and adoption of the annual budget.

Purpose

The primary purpose and responsibility of the District is to provide to the taxing units and property owners within its boundaries fair and equitable appraisal of property subject to *ad valorem* taxation.

In Texas, the property tax is the primary source of funding for local governmental units (school districts, cities, counties, junior college districts, and other special districts). Property taxes pay much of the cost of public schools, police and fire protection, courts, health services, streets, water and sewage, parks and most other local government activities. The District does not determine how much each of these local governments will spend to provide services, nor does it set their tax rates. Each local government adopts its own budget, then sets a tax rate that will generate the amount of money required to pay for its services. The District provides each local government with a list of its taxable property, together with the January 1st value of each property and appropriate exemptions and our special valuations. The appraisals serve to allocate the tax burden among all property owners on an equitable basis, based upon market value except when where special valuations apply.

Departmental Functions

The Office of the Chief Appraiser is primarily responsible for the overall planning, organizing, staffing and controlling of District operations as required by the Texas Property Tax Code. The Taxpayer Assistance Department provides support functions relating to exemptions and customer service to property owners. The Real Estate and Personal Property Departments are responsible for the valuation of all property accounts. The Data Processing Department maintains the District's mainframe data processing facility, local area networks, software applications, records management and provides support on all hearings, maintains records of those hearings, and coordinates postal services. The Property ID Department is responsible for the mapping function and deed maintenance for all properties within the District. The Administration

Department is responsible for the business support functions including human resources, budget, finance, employee benefits, purchasing, fixed assets, facilities, and litigation coordination.

Budget

The District uses a detailed line item budget. Department managers submit their budget recommendations to the chief appraiser in March. Section 6.06 of the Texas Property Tax Code requires the chief appraiser to formulate his proposed budget and submit it to the Board of Directors and presiding officers of the taxing units prior to June 15. The statute also provides that the Board of Directors publish a ¼ page advertisement on the budget, conduct a public hearing, and finally adopt a budget before June 15. Texas law also provides that each of the 40 taxing units entitled to vote on the appointment of Board members is required to maintain a copy of the proposed budget for public inspection at its principal administrative office. Additional information about the budgeting process is available in the notes to the financial statements.

The taxing units participating in the District, fund the District. The annual allocation to the taxing units is based upon the proportion of each taxing unit's property tax levy to the sum of the tax levies of all participating taxing units. Taxing units pay their share quarterly with the first quarter due by December 31 of the year before the budget takes effect. The taxing units pay an equal amount of the District's budget based on their tax units' share of the total county-wide levy for District services.

The chief appraiser may transfer budgeted amounts among departments or line items; however, supplemental appropriations require the approval of the Board of Directors and notification to the taxing units. Information regarding this upcoming year's budget can be referenced in the management discussion and analysis Section of this report.

Changes in Rendition Reporting

In 2004, the implementation of Senate Bill 340 and the new laws regarding the rendition of business personal property was put in effect. As a result of Senate Bill 340, over \$50,000,000 was added to the personal property roll. The 2004 rendition law imposed a penalty for business property owners who fail to render their business personal property in a timely manner. This was the first year that a penalty existed for such actions. The penalty is 10% of the tax liability of the business personal property. Additionally, if evidence demonstrates that a rendition has been falsified in any manner, or if the owner intentionally omits required information in an attempt to evade taxation and is found by the district attorney to be guilty of fraud, the monetary penalty for such a crime is 50% of the tax liability of the business personal property. It is anticipated that these new rendition penalties will boost the number of personal property accounts.

In 2005, H.B. 2491 amends Chapter 22, Section 22.28 of the Property Tax Code, Subsection (b) and adds Subsection (c) to require the chief appraiser to certify to assessors that the chief appraiser has imposed a rendition related penalty. The assessor must add the penalty to the original amount of tax on the property and include the penalty in the tax bill for that year. The penalty becomes part of the tax on the property and is secured by the tax lien that attaches to the property. A collector who collects a rendition related penalty must remit to the appraisal district imposing the penalty, 5 percent of the penalty amount collected. The law is effective September 1, 2005, and affects business owners, appraisal districts and all taxing units.

S.B. 286 adds Sections 551.005 and 552.012 to the Government Code to require elected and appointed public officials and designated public information officers to complete a course of training on the Open Meetings Act and the Public Information Act not later than the 90th day after the official takes the oath of office or otherwise assumes responsibilities as a member of a governing body. The bill is effective January 1, 2006, and affects chief appraisers, boards of directors, appraisal review boards, agricultural advisory boards, information officers and taxing units.

Economic Development, Condition and Outlook

According to information collected by the Real Estate Center at the Texas A&M University, non-farm employment has had a constant increase from year to year it has risen from being approximately 109,700 in the year 2000 to 127,400 in the year 2011, a percent change of 16.13% in a ten year span. We recorded a decrease of 500 during the past year for the Brownsville-Harlingen Metropolitan Area. This percentage changes are very positive considering that the average non-farm employment change over the past ten years for the State of Texas has been approximately 9.7% which is much lower than

the 16.13% growth shown by the Brownsville-Harlingen Metropolitan Area.

Looking at the trends of the 2011 employment growth rate by sector we can conclude that the area with the highest percentage growth were jobs in the field of Financial Activities with a growth rate of 3.92% , Mining-Logging-Construction jobs with a growth rate of 3.23%, and retail trade services with a growth rate of 2.45%. The 2010 average hourly wage in the Brownsville-Harlingen Metropolitan Area averaged \$15.25 per hour, while the average wage rate in Texas is at an average of \$20.30, according to the Bureau of Labor Statistics, most recent year surveyed. Unemployment figures for the year 2011 indicate that the Brownsville-Harlingen Area has an unemployment rate of 11.2 while the unemployment rate in the State of Texas is found to be at 7.2, and despite this we have been incurring a positive growth in employment. Positive employment growth rate reflects a healthy economy, if more jobs are being created more opportunities for expansion and investment are also generated.

The median-priced home around the Brownsville-Harlingen Metropolitan area is found to be \$74,000, while the Texas median-priced home average is \$123,500 and the United States median-priced home average is \$188,400.

Maintaining a low price on homes means more accessible relocation prices for businesses willing to migrate to this area. According to the most recent results and information released by the U.S. Census Bureau, Cameron County has a population estimate of approximately 406,220 which translates into approximately to 1.67% of the total population of the State of Texas. Population has increased at an estimated percentage rate of 21.2% during the past ten years, a figure that goes hand in hand with our constant job growth rate. The average household in the Cameron County area is 3.36, which is more than the household average for the State of Texas which is currently at 2.75. Percent of population between the ages of 0-18 is approximately 36.6% which is greater than the average for the State of Texas which is currently at 30.48%, while population over 65 years of age is 10.9% for Cameron County and 10.15% for the State of Texas.

If the Valley is insulated from the broader U.S. economy, it is largely because of its proximity to Mexico, and local businesses can more accurately forecast future sales activity based on the strength of the Mexican peso to the dollar. The relative stability of the Mexican peso in recent years has sustained the Valley through the front end of the storm. Lately, that has been changing. The peso has been losing ground to the dollar amid a global economic slowdown, leaving the Valley especially vulnerable. When essentials become too expensive, communities along the border once again benefit from their proximity to Mexico. Gasoline consumers, from farmers to shrimp boat captains, headed to Mexico to fill their tanks at prices far lower than those found on the U.S. side of the border. Consumer dollars will continue to be the main driver of the economy, but to what extent is unclear. Alberto Davila, chairman of the department of economics and finance at the University of Texas-Pan American in Edinburg, believes the Valley will emerge from this economic crisis more resilient than before, though it is less clear how it will change the local economy. A shift to a public-private business model could be unfolding locally. Further information about economic trends can be referred to in the statistical section as well as in the MD & A section of this report.

Other Information

The District's employees are subject to the provisions of the Property Taxation Professional Certification Act. The purpose of this act is to assure the people of Texas that the responsibility of assessing property for taxation is entrusted only to those persons duly registered and competent and that it be practiced and regulated as a learned profession. Effective September 1,

2009, The Texas Board of Tax Professional Examiners ("BTPE") was abolished and replaced by the Texas Department of Licensing and Regulation (TDLR). The TDLR is now responsible for establishing standards of professional practice, conduct, education, registration, certification, and ethics for appraisers, assessors, and collectors. Although the TDLR is responsible for establishing standards and approving curricula and materials for use in training and educating appraisers, the task of developing courses of instruction and training programs remains with public agencies, educational institutions, or private organizations.

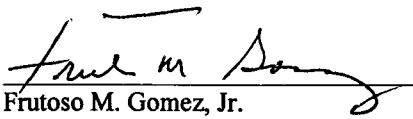
Appraisers have five years to complete a specific curriculum to qualify for exams administered by the TDLR. The designation of Registered Professional Appraiser (RPA) is conferred on those successfully completing the course of instruction. Not less than 75 hours of continuing education is required for recertification every two years.


The District's web site makes a broad range of information available for public access, including: detailed information of the appraisal process, protest and appeal procedures, a tax calendar, and various forms such as exemption applications and business personal property renditions. Users can gain access to real and personal property appraisal records by account number, address, owner's name, and several other search criteria. The District's server may be reached on the World Wide Web at <http://www.cameroncad.org/>.

Acknowledgments

The preparation of the Comprehensive Annual Financial Report involves the entire Administrative Team staff. Managing departmental budgets of the District involved over 6 managers with primary budget responsibility, which includes managers from each functional department, and the finance director.

We are grateful for their stewardship in making this system work smoothly and efficiently. Finally, we wish to thank our independent auditors, Oscar R. Gonzalez, CPA & Associates PLLC, whose professional competence and leadership have assisted us in developing this report.


Frutoso M. Gomez, Jr.
Chief Appraiser


Richard Moliha
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cameron Appraisal District
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director



**CAMERON APPRAISAL DISTRICT
BOARD OF DIRECTORS**

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Chairman of the Board

JANICE A. CASSIDY
Vice-Chairperson of the Board

JESSE VILLARREAL
Secretary of the Board

CARLOS H. CASCOS
Member of the Board

ENRIQUE ESCOBEDO, JR.
Member of the Board

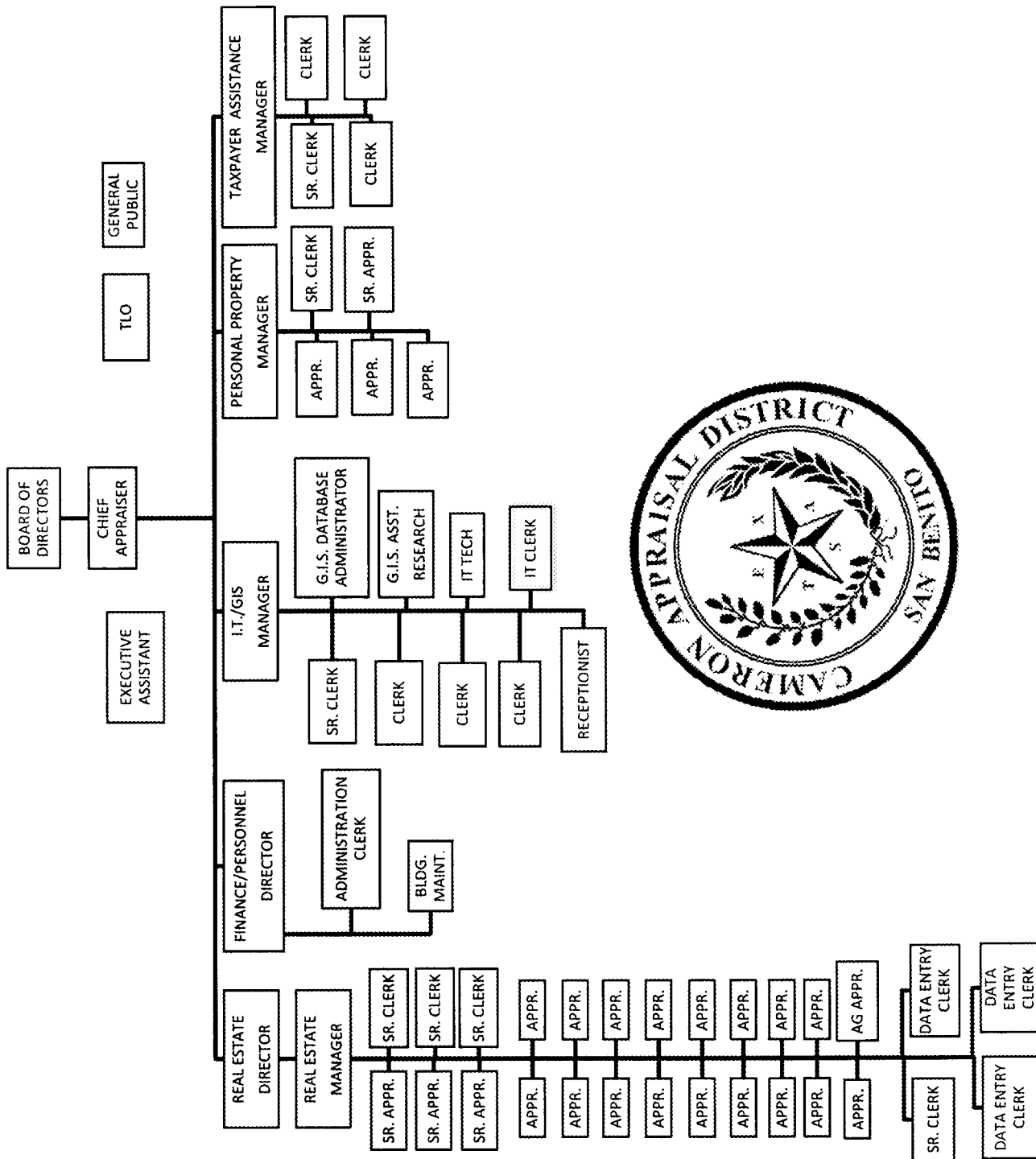
ROBERTO GARCIA
Member of the Board

TONY GUTIERREZ
Member of the Board

VICENTE MENDEZ
Member of the Board

ROBERT PINKERTON, JR.
Member of the Board

TONY YZAGUIRRE, JR.
Member of the Board



FINANCIAL SECTION





Oscar R. González, CPA
&
Associates, P.L.L.C.
Certified Public Accountants

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Oscar R. González
Melissa González

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of the
Cameron Appraisal District
San Benito, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cameron Appraisal District as of and for the year ended December 31, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Cameron Appraisal District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cameron Appraisal District, as of December 31, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 5, 2012, on our consideration of the Cameron Appraisal District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 11 through 15 and 38 through 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or

provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cameron Appraisal District's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statement and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statement is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Oscar R. Gonzalez, CPA & Associates PLLC
Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
April 5, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS



CAMERON APPRAISAL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Cameron Appraisal District's annual financial report presents our discussion and analysis of the District's financial performance during the year ended December 31, 2011. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

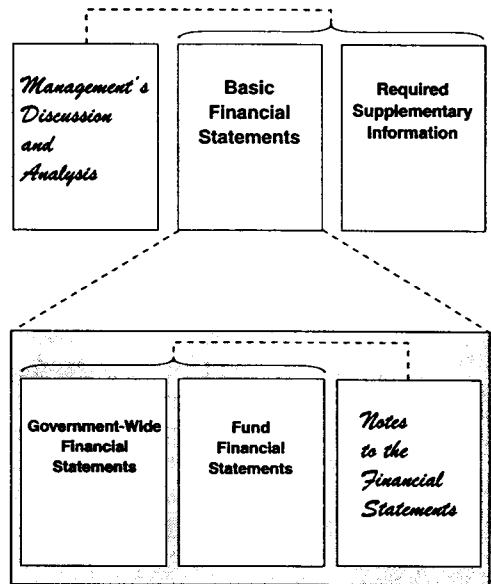
- The District's total combined net assets were \$2,029,386 at December 31, 2011.
- During the year, the District's expenses were \$44,886 less than the \$3,547,423 generated in charges for services for governmental activities.
- The general fund reported a fund balance this year of \$1,555,056 or 44% of current year expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

Figure A-1, Required Components of the District's Annual Financial Report

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Government-Wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net assets "the difference between the District's assets and liabilities" is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District's assessment base.

The government-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. Property taxes and grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and/or by bond covenants.
- The Board of Directors establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

- *Governmental funds*—Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Fiduciary funds*—The District is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

The District's progress in funding its obligations to provide retirement benefits to its employees can be found at the end of the notes to the financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the result of activities comparing the budget versus actual.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net assets

The District's combined net assets were **\$209,386** at December 31, 2011. (See Table A-1) The increase in local revenues is a result of state legislation that has shifted state funds away from school districts similar to the District and caused districts to increase local revenues by significant amounts each year. Additionally significant student population growth necessitates increased local revenues to offset resulting increased local expenses. The increase in federal revenues is primarily due to an increase in federal program revenue distributed through other agencies.

Cameron Appraisal District's Net Assets
Table A-1

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Assets			
Current Assets			
Cash and cash equivalents	\$ 1,174,189	\$ 1,283,940	\$ (109,751)
Investments	1,216,913	1,215,655	1,258
Prepaid items	27,000	26,721	279
Total Current Assets	<u>2,418,102</u>	<u>2,526,316</u>	<u>(108,214)</u>
Capital Assets			
Land	27,738	27,738	-
Building and improvements	728,802	728,802	-
Furniture and equipment	1,619,109	1,496,643	122,466
Accumulated depreciation	<u>(1,858,571)</u>	<u>(1,777,177)</u>	<u>(81,394)</u>
Total Capital Assets	<u>517,078</u>	<u>476,006</u>	<u>41,072</u>
Total Assets	<u>\$ 2,935,180</u>	<u>\$ 3,002,322</u>	<u>\$ (67,142)</u>
Liabilities			
Current Liabilities			
Account payable - trade	113,498	44,770	68,728
Due to governmental entities	31,506	170,296	(138,790)
Deferred revenues	715,965	777,159	(61,194)
Other current liabilities	1,692	1,292	400
Total Current Liabilities	<u>862,661</u>	<u>993,517</u>	<u>(130,856)</u>
Long Term Liabilities			
Compensated absences	<u>43,133</u>	<u>46,947</u>	<u>(3,814)</u>
Total Long Term Liabilities	<u>43,133</u>	<u>46,947</u>	<u>(3,814)</u>
Total Liabilities	<u>905,794</u>	<u>1,040,464</u>	<u>(134,670)</u>
Net Assets			
Invested in Capital Assets			
net of related debt	517,078	476,006	41,072
Unrestricted	<u>1,512,308</u>	<u>1,485,852</u>	<u>26,456</u>
Total Net Assets	<u>\$ 2,029,386</u>	<u>\$ 1,961,858</u>	<u>\$ 67,528</u>
Total Liabilities & Net Assets	<u>2,935,180</u>	<u>3,002,322</u>	<u>(67,142)</u>

Change in 2011

- Total current assets decreased by \$108,214; due to a decrease in cash and cash equivalents.
- Capital assets increased by \$41,072; mostly due to the current purchase of new office equipment.
- Due to governmental entities decreased by \$138,790.
- Total liabilities decreased by \$134,670; mostly due to a decrease in governmental entity liabilities.
- Net assets increased by \$67,528.
- Overall assets and liabilities and net assets decreased by \$67,142.

Changes in net assets

The District's total revenues were \$3,566,250 with assessments revenues of \$3,543,609. The total cost of appraisal services was \$3,417,329 and depreciation was \$81,394 for the year ending December 31, 2011. (See Table A-2)

Cameron Appraisal District's Changes in Net Assets
Table A-2

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues			
Assessments	\$ 3,547,423	\$ 3,537,522	\$ 9,901
Investment income	2,592	5,268	(2,676)
Miscellaneous income	20,049	90,227	(70,178)
Total Revenues	<u>3,570,064</u>	<u>3,633,017</u>	<u>(62,953)</u>
Expenses			
Salaries and other compensation	1,987,616	1,970,437	17,179
Contractual services	171,825	175,391	(3,566)
Supplies and training	481,890	546,528	(64,638)
Insurance and benefits	672,223	629,247	42,976
Other expenses	79,225	88,501	(9,276)
Maintenance and capital outlay	28,364	54,511	(26,147)
Depreciation	81,394	109,649	(28,255)
Total Expenses	<u>3,502,537</u>	<u>3,574,264</u>	<u>(71,727)</u>
Net Change in Net Asset	67,527	58,753	8,774
Net Asset - Beginning	1,961,859	1,903,106	58,753
Net Asset - Ending	<u>\$ 2,029,386</u>	<u>\$ 1,961,859</u>	<u>\$ 67,527</u>

Change in 2011

- Revenues decreased by \$62,953; with the majority of the decrease due to a decrease in insurance proceeds.
- Expenses decreased by \$71,727; with the majority of decrease in supplies and training.
- Net change in net assets increased by 8,774; mostly to decrease in expenses.
- Net assets increased by \$67,527.

General Fund Budgetary Highlights

Actual expenditures were \$31,506 under final budget amounts while revenues available were \$8,865 over the final budgeted amount. Overall net change in fund balance was \$22,641 over the expected change. This was mainly caused by a decrease in supplies and training and an increase capital outlay expenses incurred by the purchase of copier and postage equipment.

Capital Assets

At the end of 2011, the District has invested \$517,078 in a broad range of capital assets, including land, equipment, buildings, and furniture. (See Table A-3)

Cameron Appraisal District's Capital Assets
Table A-3

	Balance 12/31/2010	Additions	Deletions	Balance 12/31/2011
Land	\$ 27,738	\$ -	-	\$ 27,738
Building & Improvements	728,802	-	-	728,802
Furnitures & Equipment	1,496,643	122,466	-	1,619,109
Accumulated Depreciation	(1,777,178)	(81,394)	-	(1,858,571)
Total	<u>\$ 476,005</u>	<u>\$ 41,073</u>	<u>\$ -</u>	<u>\$ 517,078</u>

The District's capital project spending was \$122,466, principally for furniture and equipment. More detailed information about the District's capital assets is presented in this report under Note 4 – Capital Assets of the financial statements.

Next year's Budget

The Board of Directors adopted a 2012 expenditure budget of \$3,525,189 on August 15, 2011. This amount represented a 1.5% decrease of the 2011 budget.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, taxing entities, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Cameron Appraisal District, Finance Director, P.O. Box 1010, 2021 Amistad Drive, San Benito, Texas 78586-1010.

BASIC FINANCIAL STATEMENTS



**Cameron Appraisal District
Statement of Net Assets
December 31, 2011**

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Total</u>
ASSETS		
<i>Current Assets:</i>		
Cash and cash equivalents	\$ 1,174,189	\$ 1,174,189
Investments	1,216,913	1,216,913
Prepaid items	27,000	27,000
Total Current Assets	<u>2,418,102</u>	<u>2,418,102</u>
<i>Non-Current Assets:</i>		
<i>Capital Assets not being depreciated:</i>		
Land	27,738	27,738
<i>Capital Assets net of accumulated depreciation:</i>		
Building and improvements	229,823	229,823
Furniture and equipment	259,517	259,517
Total Non-Current Assets	<u>517,078</u>	<u>517,078</u>
Total Assets	<u>2,935,180</u>	<u>2,935,180</u>
LIABILITIES		
<i>Current Liabilities</i>		
Accounts payable	113,498	113,498
Due to governmental entities	31,506	31,506
Deferred revenues	715,965	715,965
Other current liabilities	1,692	1,692
Total Current Liabilities	<u>862,661</u>	<u>862,661</u>
<i>Non-Current Liabilities</i>		
Compensated absences	43,133	43,133
Total Non-Current Liabilities	<u>43,133</u>	<u>43,133</u>
Total Liabilities	<u>905,794</u>	<u>905,794</u>
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	517,078	517,078
Restricted	-	-
Unrestricted	1,512,308	1,512,308
Total Net Assets	<u>\$ 2,029,386</u>	<u>\$ 2,029,386</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,935,180</u>	<u>\$ 2,935,180</u>

The notes to the financial statements are an integral part of this statement.

Cameron Appraisal District
Statement of Activities
For the Year Ended December 31, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental Activities:				
Appraisal services	\$ 3,502,537	3,547,423	\$ -	\$ -
<i>Total Governmental Activities</i>	<u>3,502,537</u>	<u>3,547,423</u>	<u>-</u>	<u>-</u>
<i>Total Primary Government</i>	<u>\$ 3,502,537</u>	<u>\$ 3,547,423</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues and Transfers:

Revenues

Investment income

Miscellaneous income

Total General Revenues and Transfers

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

The notes to the financial statements are an integral part of this statement.

**Net (Expense) Revenue and Changes in
Nets Assets**

Primary Government

Governmental Activities	Total
\$ 44,886	\$ 44,886
44,886	44,886
\$ 44,886	\$ 44,886
2,592	2,592
20,049	20,049
22,641	22,641
67,527	67,527
1,961,859	1,961,859
\$ 2,029,386	\$ 2,029,386

**Cameron Appraisal District
Balance Sheet
Governmental Funds
December 31, 2011**

	<u>Special Revenue</u>		<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Special Collection Fund</u>	
ASSETS			
Cash and cash equivalents	\$ 1,165,341	\$ 8,849	\$ 1,174,190
Investments	1,216,913	-	1,216,913
Prepaid items	27,000	-	27,000
<i>Total Assets</i>	<u>2,409,254</u>	<u>8,849</u>	<u>2,418,103</u>
LIABILITIES			
Accounts payable	105,035	8,463	113,498
Due to governmental entities	31,506	-	31,506
Deferred revenues	715,965	-	715,965
Other current liabilities	1,692	-	1,692
<i>Total Liabilities</i>	<u>854,198</u>	<u>8,463</u>	<u>862,661</u>
FUND BALANCES			
Restricted:		-	-
General reserve	907,415	-	907,415
Special revenue	-	386	386
Committed:			
Building improvements and renovation	625,000	-	625,000
Unassigned	22,641	-	22,641
<i>Total Fund Balances</i>	<u>1,555,056</u>	<u>386</u>	<u>1,555,442</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 2,409,254</u>	<u>\$ 8,849</u>	<u>\$ 2,418,103</u>

The notes to the financial statements are an integral part of this statement.

Cameron Appraisal District
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
For the Year Ended December 31, 2011

Total Fund Balances- Governmental Funds Balance Sheet	\$	1,555,442
Capital assets are expensed as capital outlay in the governmental fund statements, however they are capitalized as capital assets and reflected in the Statement of Net Assets.		122,466
Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period. The difference in compensated absences from last year to this year is recorded in the statement of activities.		(43,133)
Depreciation expense reflected in entity wide statements, not reflected in governmental fund statements.		(81,394)
When Capital Assets that are to be used in governmental activities are purchased, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the District as a whole.		476,005
Total Net Assets of Governmental Activities - Statement of Net Assets	\$	<u>2,029,386</u>

The notes to the financial statements are an integral part of this statement.

Cameron Appraisal District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	<u>General Fund</u>	<u>Special Revenue Special Collection Fund</u>	<u>Total Governmental Funds</u>
Revenues			
Assessments	\$ 3,547,423	\$ -	\$ 3,547,423
Investment income	2,592	-	2,592
Miscellaneous income	20,049	-	20,049
Total Revenues	3,570,064	-	3,570,064
Expenditures			
Salaries and other compensation	1,991,430	-	1,991,430
Contractual services	171,825	-	171,825
Supplies and training	481,890	-	481,890
Insurance and benefits	672,223	-	672,223
Other expenses	79,225	-	79,225
Maintenance and capital outlay	150,830	-	150,830
Total Expenditures	3,547,423	-	3,547,423
Excess of Revenues Over (Under) Expenditures	22,641	-	22,641
Other Financing Sources (Uses)			
Transfers from other funds	-	-	-
Transfers to other funds	-	-	-
Net Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	22,641	-	22,641
Fund Balances - Beginning	1,532,415	386	1,532,801
Fund Balances - Ending	\$ 1,555,056	\$ 386	\$ 1,555,442

The notes to the financial statements are an integral part of this statement.

Cameron Appraisal District
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance to the Statement of Activities
For the Year Ended December 31, 2011

Total Net Change in Fund Balances - Governmental Funds	\$	22,641
Capital assets are expensed as capital outlay in governmental fund statements, however these expenditures are capitalized as capital assets in Statement of Net Assets.		122,466
Compensated absences are expensed as paid in the governmental fund statements, however they are expensed as incurred in entity wide statements, and reflected as liability on Statement of Net Assets.		3,814
Depreciation expense is reflected in entity wide statements, however it is not reflected in governmental fund statements.		(81,394)
Changes in Net Assets of Governmental Activities-Statement of Activities	\$	<u>67,527</u>

The notes to the financial statements are an integral part of this statement.

**Cameron Appraisal District
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2011**

	Education & Public Relations
ASSETS	
Cash and cash equivalents	\$ 17,875
<i>Total Assets</i>	17,875
LIABILITIES	
Due to employee	17,875
<i>Total Liabilities</i>	17,875
NET ASSETS	
Held in Trust	\$ -

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS



Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 1-Summary of Significant Accounting Policies

A. Nature of Operations

The ratification of Senate Bill 621 by the Texas Legislature provided, in part, for each county within Texas to organize and operate a separate and distinct appraisal district. Consequently, in April 1980, a Board of Directors was named to direct the affairs of the then newly created Cameron Appraisal District (the "District"). The organization is responsible for conducting property appraisals and providing property values for each of forty separate taxing jurisdictions in Cameron County. Effective October 1980, the organization began operation with the hiring of a chief appraiser.

B. Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the District and its component units, entities for which the District is considered to be financially accountable. The discussion of component units below summarizes the relevant guidelines considered by the District in determining the nature of their operational or financial relationships.

The blended component units, although legally separate entities, are in substance part of the government's operations and so data from these units are combined with data of the primary government. The District does not have any component units that are considered blended component units.

The discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the District. The District does not have any component units that are considered discretely presented component units.

C. Financial Statement Presentation

In June 1999, GASB issued Statement No. 34, *Basic Financial Statements-and Managements' Discussion and Analysis for State and Local Governments* ("GASB Statement No. 34"). This statement, known as the "reporting model" statement, affects the way the District prepares and presents financial information. State and local governments traditionally have used a financial reporting model substantially different from the one used to prepare private-sector financial information.

Management's Discussion and Analysis

GASB Statement No. 34 established new requirements and a new reporting model for the annual financial reports of state and local governments. GASB Statement No. 34 was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions.

GASB Statement No. 34 requires financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis." This analysis is similar to the analysis that private-sector companies provide in their annual reports.

Government-Wide Financial Statements

The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities, but also capital assets and long-term liabilities, such as building and infrastructure, including roads and bridges, and general obligation debt. Accrual accounting reports all of the revenues and costs of providing services each year, not just those received or paid in the current or soon thereafter, as in the case with the modified accrual basis of accounting.

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 1-Summary of Significant Accounting Policies

(continued)

Schedule of Net Assets

The schedule of net assets is designed to display the financial position of the primary government, governmental and business-type activities, and its discretely presented component units. Governments report all capital assets, including infrastructure, in the government-wide schedule of net assets and report related depreciation expense, the cost of "using up" capital assets, in the statement of activities. The net assets of a government are divided into three categories:

- 1) invested in capital assets-net of related debt;
- 2) restricted;
- 3) unrestricted;

Statement of Activities

The new government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function, such as user charges or intergovernmental grants.

Budgetary Comparison Schedules

Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many governments revise their original budget throughout the year for a variety of reasons. Under the new reporting model, governments will continue to provide budgetary comparison information in their annual reports. An important change, however, is a requirement to add the government's original budget to the current comparison of the final budget and actual results.

GASB Statement Nos. 34, 37, and 38

In 2004, the District implemented the following new standards:

GASB Statement No. 34, *Basic Financial Statements-and Managements' Discussion and Analysis for State and Local Governments*, established new accounting and financial reporting standards for external financial reporting by state and local governments in order to enhance the understandability and usefulness of the financial reports to citizenry, legislative and oversight bodies, and investors and creditors.

GASB Statement No. 37, *Basic Financial Statements-and Managements' Discussion and Analysis for State and Local Governments: Omnibus and Amendment of GASB Statements No. 21 and No. 34*, revises the escheat reporting requirements, limits the topics discussed in Management's Discussion and Analysis, eliminates capitalization of construction-period interest requirements on capital assets used in governmental activities and further clarifies provisions of GASB Statement No. 34.

GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, modifies, establishes, and rescinds certain financial statement disclosure requirements. The implementation of these standards had the following impact on the accompanying financial statements:

- Presentation of Management's Discussion and Analysis (MD&A) section
- Presentation of government-wide financial statements
- Major funds presentation for the District's fund-level statements as defined by the above GASB statements
- Major funds presentation for the District's fund-level statements as defined by the above GASB statements
- Reporting certain additional footnote disclosures
- Changing beginning equity for the inclusion of general capital assets

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 1-Summary of Significant Accounting Policies

(continued)

D. Government-Wide and Fund Accounting

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. While the previous reporting model emphasized fund types-the total of all funds of a particular type-in the new reporting model, the focus is on either the District as a whole or on major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental.

In the government-wide statement of net assets, the governmental activity column is presented on a consolidated basis and is reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables, as well as long-term debt. The District generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The District may defer the use of restricted assets based on a review of the specific transaction.

The government-wide financial statements report information on all non-fiduciary activities of the primary government.

The government-wide statement of activities reflects both the gross and net cost per functional category, which is otherwise being supported by general government revenues. The statement of activities reduces gross expenses (including depreciation) by related program revenues. The program revenues must be directly associated with the function. The District does not allocate indirect expenses.

The governmental fund major fund statement in the fund financial statements is presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statement's governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile fund-based financial statement with the governmental column of the government-wide presentation.

The focus of the revised reporting model is on the District as a whole and the fund financial statements, including the major individual fund of the governmental category. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

In the fund financial statements, the accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Following is a description of the various funds:

- *Governmental Funds:* Governmental funds are those funds through which most governmental functions are typically financed.
 - *General Fund:* The General Fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include charges for services. Expenditures include administrative services, information systems, appraisal services, capital expenditures, building and equipment debt services, if applicable
- *Other Fund Types:* The Education and Public Relations is an agency fund (no legal trust exists) which accumulates resources for educational and public relation needs for the employees.

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 1-Summary of Significant Accounting Policies

(continued)

E. Basis of Accounting

The accounting and financial report treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The District utilizes the modified accrual basis of accounting in the governmental fund types. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues susceptible to accrual include charges for services and interest on temporary investments.

Under modified accrual accounting, expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for interest on general long-term debt, which is recognized when due.

F. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

G. Assets, Liabilities, and Net Assets or Equity

Cash and Cash Equivalents

The District considers all deposits and investments with an original maturity of three months or less to be cash and cash equivalents.

Deposits and Investments

The District is required by Government Code Chapter 2256, The Public Funds Investment Act ("Act"), to adopt, implement, and publicize an investment policy. That policy must be written, primarily emphasize safety of principal and liquidity, address investment diversification, yield and maturity and the quality and capability of investment management, and include a list of the types of authorized investments in which the investing entity's fund may be invested, and the maximum allowable stated maturity of any individual investment owned by the entity.

The Act requires an annual audit of investment practices. Audit procedures in this area are conducted as part of the audit of the general purpose financial statements disclosed in the areas of investment practices, management reports and establish appropriate policies. The District adheres to the requirements of the Act. Additionally, investment practices of the District are in accordance with local policies.

For District investments, both the statutes of the state of Texas and policies mandated by the District's Board of Directors, which are more restrictive, authorize the District to invest only in certificates of deposit issued by federally insured banks or savings and loans associations.

In accordance with GASB Statement No. 31, money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported as amortized costs.

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 1-Summary of Significant Accounting Policies
(continued)

Analysis of Specific Risk

GASB Statement No. 34 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

- a. Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk. The District's investment policy states that no investment shall have a legal stated maturity of more than twelve months. By limiting the exposure of its investments, the District reduces its risk to the rising or decreasing interest rates.
- b. Credit Risk – Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designated to give an indication of credit risk. At year end, the District was not exposed to credit risk.
- c. Custodial Credit Risk – Deposits and investments are exposed to custodial risk if they are not covered by depository insurance and the deposits and investments are uncollateralized, collateralized securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. At year end, the District was not exposed to custodial risk. See Note III for more information on the coverage of this risk.
- d. Concentration of Credit Risk – This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. It is the policy of Cameron Appraisal District to diversify its portfolio to eliminate the risk of loss resulting from over concentration of liquid assets with a specific maturity, a specific insurer or a specific class of investments. At year end the District was not exposed to concentration of credit risk.
- e. Foreign Currency Risk – This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

Due From Governmental Entities

The District's primary revenue source is from assessments to taxing jurisdictions for services provided by the District. Assessments are imposed annually based on the amount approved by the Board of Directors in the annual budget. As required by law, the assessment is allocated in four equal payments due on the last day of each quarter, with the first quarterly payment due before January 1 of the year in which the budget takes effect. If unpaid on the due date, such assessments become delinquent. A delinquent payment incurs a penalty of 5 percent of the amount of the payment and accrues interest at an annual rate of 10 percent. Assessments that are applicable to the District's subsequent fiscal year are recorded as Advance Payments of Assessments a form of deferred revenue.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Losses are charged against the allowance when the un-collectability of a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is evaluated on a regular basis by management and is based on historical experience and specifically identified questionable receivables. The evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. As of December 31, 2011, there was no allowance for doubtful accounts as all are considered collectible.

Capital Assets

Capital assets, which include equipment, improvements, and vehicles, are reported in the governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an initial,

Cameron Appraisal District
 San Benito, Texas
 Notes to Financial Statements
 December 31, 2011

Note 1-Summary of Significant Accounting Policies
(continued)

individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements that add to the value of the asset or materially extend asset lives are capitalized.

The District provides for depreciation on assets using the straight-line method in order to amortize costs of assets over their estimated useful lives. The following estimated useful lives are used in providing for depreciation:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Building and improvements	20-50 years
Furniture and fixtures	10 years
Software	5 years
Equipment	5-10 years

Due to Governmental Entities

By Texas Property Tax Code Sec. 6.06 (j) each calendar year, the chief appraiser and finance director review the actual assessments versus the amount actually spent or obligated to be spent during the calendar. If assessments are greater than the amount spent or obligated, then the chief appraiser shall credit the excess amount against each taxing unit's allocated payments for the following year in proportion to the amount of each unit's budget allocation for the fiscal year for which the payments were made. The District generally credits the excess in the second quarter of the following year. The following table is the calculation of the excess amount for the year ending December 31, 2011. The District generally credits the excess in the second quarter of the following year.

The following table is the calculation of the excess amount for the year ending December 31, 2011:

Assessments	\$ 3,578,929
District's Expenses	<u>3,547,423</u>
Amount due to entities	<u>\$ 31,506</u>

It has been the District's practice not to include investment and miscellaneous income into the determination of the actual assessments versus the amount actually spent or obligated to be spent.

Compensated Absences

All regular employees are granted sick and vacation leave benefits in varying amounts. A maximum of fifteen days of annual vacation leave may be accrued, and if annual vacation balances exceeding fifteen days will be reduced to fifteen days as of January of each year. As for sick leave, an employee may earn up to twelve days per year. Unused sick time can be carried over up to a maximum of 90 days. Sick leave may be accrued but will not be paid to employees that leave before retirement. All vested compensated absences are accrued when incurred in the government-wide financial statements. The liability was reduced by \$3,814 for December 31, 2011.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Long-term debt consists primarily of notes payable and compensated absences. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, and the payment of

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 1-Summary of Significant Accounting Policies

(continued)

principal and interest is reported as expenditures. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Assets acquired under the terms of capital leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the General Fund. Lease payments representing both principal and interest are recorded as expenditures in the General Fund upon payment, with an appropriate reduction of principal recorded in the government-wide financial statements.

Net Assets

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Unreserved fund balance is that portion of fund balance which is undesignated and available for budgeting in future years.

The District has adopted GASB 54 as part of its fiscal year ending September 30, 2011. Implementation of GASB 54 is required of all Appraisal Districts for the fiscal year ending in 2011. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the District's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances which are non-spendable and spendable.

Non-spendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, noncurrent advances to other funds that not expected to be collected in the next fiscal year, and the principal (corpus) of an endowment fund. The District does not have any prepaid items or non spendable funds related to an endowment. In addition to non-spendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

-Restricted: Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation. All of the District's restricted funds are from Special Revenue Funds, whose funds are revenues legally restricted to expenditures for a particular purpose.

-Committed: Fund balances that contain self-imposed constraints of the government from its highest level of decision making authority. The responsibility to commit funds rests with the elected Board of Directors. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. The District formally approved the recording of fund balance as committed on December 5th, 2011 and was designated as follows.

Roof Resurfacing (\$75,000) – CAD anticipates the need to resurface and/or repair the roof approximately every 15-20 years or as needed. The CAD last resurfaced the roof in 1999 {approximately 1600sf}.

Building Addition/Renovation (\$190,000) – As the population within the county has risen and continues to increase, the demand for additional space is needed. CAD anticipates expanding the building for additional space & storage in the near future.

Restroom Remodeling (\$35,000) – Restrooms are anticipated to be remodeled and during that time will need to meet the ADA requirements.

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 1-Summary of Significant Accounting Policies

(continued)

A/C Replacement (\$45,000) – Typically A/C units are expected to last 10-15 years. Units beyond this become less efficient and add to maintenance cost {last replaced in 1999}.

Building Entrance Renovation (\$35,000) – CAD anticipates the need to renovate the entrance to the building. Rain and other conditions contribute to this needed addition.

Front & Back Covered Walk Way (\$40,000) – Covered walk way design will facilitate taxpayers and staff during extreme weather conditions “rain”.

Concrete & Parking Lot Repairs (\$20,000) – Several areas with the CAD’s parking lot are in need of repair that will require an independent contractor to perform the work.

Server Upgrade/Replacement (\$140,000) – Every 4-5 years the CAD must upgrade and/or replace its main server {last upgraded in 2010}.

Telephone System Upgrade (\$45,000) – CAD anticipates the need to completely upgrade the Merlin Magix telephone system with current technology {current system purchased in 1997}.

Assigned: Fund balances that contain self-imposed constraints of the government to be used for a particular purpose. The items in this fund balance are designed to be in compliance with GASB Statement 54 and must be utilized as set forth. Any utilization or changes must be approved by the Board of Directors and be in compliance with Statement 54.

The fund balance designated as assigned by the district is as follows:

Maintenance and Operations (\$867,709) – This fund is designed to satisfy the daily operations of the appraisal district in the event of an extraordinary catastrophic event such as hurricane, extreme flood damage, building failure, etc. This Fund is not to exceed 6 months of operating expenditures. Access to these funds requires approval by the CAD’s Board of Directors.

Miscellaneous Revenue Assignment (\$39,704) – In 2011, the Board and CAD representative agreed to allocate any unused miscellaneous revenues collected during the year under audit and apply them as a reduction to the taxing entities contributions when proposing the next budget. This item will continue until the board makes any other recommendations.

Unassigned: Fund balance of the general fund that is not constrained for any particular purpose. This is also where negative amounts from the other categories of fund balance are recognized. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the District typically first applies restricted resources, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of assigned, then unassigned, and finally committed funds.

Note 2- Stewardship, Compliance, and Accountability

A. Budgetary Data

The District uses the following procedures in establishing the budget reflected in the financial statements:

- Prior to June 15th, the Board of Directors and taxing units are presented with a proposed budget for the year beginning the following January 1 by the chief appraiser. The budget includes proposed expenditures and

Cameron Appraisal District
 San Benito, Texas
 Notes to Financial Statements
 December 31, 2011

Note 2- Stewardship, Compliance, and Accountability
 (Continued)

the means of financing those expenditures. The budget determines the annual assessments due from taxing jurisdictions.

- Public hearing in conducted to obtain citizens' comments.
- The budget must be approved by September 15. The budget for the year ending December 31, 2012 was legally enacted on August 15, 2011.

The budget is incorporated into the accounting system of the District and considered a management and planning tool. An annual budget is legally adopted for the General Fund only.

B. Budget Basis of Accounting

The District prepares its annual budget on a basis (budget basis), which differs from generally accepted accounting principles (GAAP Basis). The budget and all transactions are presented in accordance with the District's method (budget basis) in the Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-General fund to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP are principal payments on loan paid and capital expenditures capitalized under GAAP.

C. Excess of General Fund Expenditures over appropriations

Expenditures exceeded appropriations of the contractual services line item by \$2,997 which was caused by an unexpected increase in legal service fees, insurance and benefits by \$1,653 and capital outlay (equipment purchased) line item by \$111,830, that was due to the purchase of new copier and postage equipment.

Note 3 - Cash and Cash Equivalents

At December 31, 2011, the District's Deposits are summarized as follows:

	Carrying Amounts	Bank Balance
Checking accounts	<u>\$1,174,189</u>	<u>\$1,236,721</u>
Total Deposits	\$1,174,186	\$1,236,721

The District's deposits were held during the year in a financial institution and were carried at cost. The financial institution provides insurance through the FDIC and pledges collateral to secure these deposits, as needed. A third-party bank in joint custody for the District and the depository bank hold certain collateralized securities (Category 2).

At December 31, 2011, the insurance and collateral pledged are summarized as follows:

Financial institution:	FDIC Coverage	Security Pledged	Bank Balance
BBVA Compass	<u>\$250,000</u>	<u>\$1,008,994</u>	<u>\$1,236,721</u>

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 3 - Cash and Cash Equivalents
(Continued)

The cash deposits held at financial institutions can be categorized according to three levels of risk. These three levels of risk are as follows:

- Category 1: Deposits which are insured or collateralized with securities held by the District or by its agent in the District's name.
- Category 2: Deposits which are collateralized with securities held by the pledging Financial Institution's trust department or agent in the District's name.
- Category 3: Deposits which are not collateralized or insured.

Note 4 - Capital Assets

A summary of changes in capital assets for governmental activities is as follows:

	Beginning Balance				Ending Balance
	12/31/2010	Increase	Decrease	12/31/2011	
<i>Non-depreciable assets:</i>					
Land	\$ 27,738	\$ -	\$ -	\$ 27,738	
<i>Total Non-depreciable assets</i>	27,738	-	-	27,738	
<i>Depreciable assets:</i>					
Buildings and Improvements	728,802	-	-	728,802	
Furniture and Equipment	1,619,109	122,466	-	1,619,109	
<i>Total Depreciable assets</i>	2,347,911	122,466	-	2,347,911	
<i>Less accumulated depreciation for:</i>					
Buildings and Improvements	475,466	23,514	-	498,980	
Furniture and Equipment	1,301,711	57,880	-	1,359,591	
<i>Total Accumulated Depreciation</i>	1,777,177	81,394	-	1,858,571	
<i>Total depreciable assets net of accumulated depreciation</i>	448,267	41,073	-	489,340	
Total Capital Assets	\$ 476,005	\$ 41,073		\$ 517,078	

Depreciation expense for the year totaled \$81,394, and was charged to the appraisal service.

Note 5 – Due to Governmental Entities

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Assessments were greater than the amount spent or obligated, excess amount will be applied against each taxing unit's allocated payments for the following year in proportion to the amount of each unit's budget allocation for the fiscal year for which the payments were made. This year's assessment refund consists of:

Taxing Units	2011 Assessment Revenue	2011 Expenditure Allocation	Allocation Percent	2011 Assessment Refund
Brownsville ISD	\$ 580,498	\$ (575,387)	16.64%	\$ 5,110
Harlingen ISD	396,455	(392,965)	10.51%	3,490
La Feria ISD	49,667	(49,230)	1.46%	437
Los Fresnos CISD	158,771	(157,373)	4.36%	1,398
Point Isabel ISD	427,044	(423,285)	11.50%	3,759
Rio Hondo ISD	28,786	(28,533)	0.84%	253
San Benito ISD	117,479	(116,445)	3.21%	1,034
Santa Maria ISD	5,380	(5,333)	0.15%	47
Santa Rosa ISD	9,847	(9,760)	0.27%	87
South Texas ISD	84,630	(83,885)	2.40%	745
City of Brownsville	380,124	(376,778)	10.83%	3,346
City of Harlingen	169,937	(168,441)	4.89%	1,496
City of San Benito	42,428	(42,055)	1.20%	374
City of Port Isabel	20,897	(20,713)	0.57%	184
Town of South Padre Island	68,244	(67,643)	1.85%	601
City of Los Fresnos	11,294	(11,195)	0.31%	99
City of La Feria	13,461	(13,343)	0.39%	119
City of Rio Hondo	5,061	(5,016)	0.13%	45
Town of Laguna Vista	9,753	(9,667)	0.28%	86
City of Santa Rosa	2,074	(2,056)	0.06%	18
Town of Indian Lake	920	(912)	0.03%	8
Town of Palm Valley	5,148	(5,103)	0.15%	45
City of Combes	3,836	(3,802)	0.10%	34
City of Primera	6,363	(6,307)	0.18%	56
Town of Rancho Viejo	8,454	(8,380)	0.24%	74
Cameron County Drainage District #1	14,999	(14,867)	0.43%	132
SBCC Drainage District #3	24,219	(24,006)	0.69%	213
Cameron County District #4	442	(438)	0.01%	4
Southmost Union Junior College	185,342	(183,711)	5.21%	1,632
Valley Mud #2	9,838	(9,751)	0.28%	87
Palm Valley Estates Utility	-	-	1.01%	-
Brownsville Navigation District	35,046	(34,738)	0.79%	309
Note 5 – Due to Governmental Entities	28,647	(28,395)	0.84%	252

Cameron Appraisal District
 San Benito, Texas
 Notes to Financial Statements
 December 31, 2011

(Continued)

Laguna Madre Water District				
CC Emergency Service District #1	29,793	(29,531)	17.23%	262
Port of Harlingen	-	-	0.61%	-
Cameron County	609,415	(604,050)	0.08%	5,365
Cameron County Drainage District #5	21,459	(21,270)	0.13%	189
Paseo De La Resaca Mud #1	2,817	(2,792)	0.11%	25
Paseo De La Resaca Mud #2	4,291	(4,253)	0.03%	38
Paseo De La Resaca Mud #3	3,927	(3,892)	0.11%	35
Paseo De La Resaca Landscape	-	-	0.00%	-
Town of Bayview	1,047	(1,038)	0.03%	9
Lyford ISD	1,094	(1,084)	0.03%	10
	<u>\$ 3,578,929</u>	<u>\$ (3,547,423)</u>	100%	<u>\$ 31,506</u>

Note 6 – Deferred Revenues

Deferred revenues are recorded when a taxing entity prepays their assessment for a preceding year during the year. Since the amount paid is not revenue for this fiscal year, it becomes deferred revenue to be recognized in the assessment year. The total amount of prepaid assessments that were collected from the entities are described below, by type of taxing entity:

Taxing Units by Type	Prepaid Assessment
Municipalities and Cities	\$ 183,927
School Districts	351,424
County	153,604
MUD	5,152
Drainage Districts	14,768
Emergency Districts	7,090
Total Deferred Revenue	<u>\$ 715,965</u>

Note 7 – Long Term Liabilities

Long term liabilities for the year consisted mainly of compensated absences which accounts for vested sick and vacation leave. Changes for the year in the liability were a decrease of \$3,814 resulting in an ending balance of \$43,133 at year end.

	Beginning Balance	Increases	Decreases	Ending Balance
Long Term Liabilities				
Compensated absences	\$ 46,948	\$ 78,210	\$ 82,025	\$ 43,133
Total Long Term Liabilities	<u>46,948</u>	<u>78,210</u>	<u>82,025</u>	<u>43,133</u>

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 8 - Other Information

A. Risk Management

Cameron Appraisal District is exposed to various uncertainties for losses related to intentional and unintentional tort; theft of damage to and destruction of real and personal property; errors-and-omissions; catastrophes, medical and dental claims by employees; employee illnesses and injuries and pollution claims for which the District carries commercial insurance coverage. There have been no significant reductions in insurance coverage from the previous year. No negotiated settlements or jury awards have exceeded policy limits in any of the past three years.

B. Commitments

Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel and management that resolution of these matters will not have a material adverse effect on the condition of the District at December 31, 2011.

C. Retirement Plan

Plan Description

Cameron Appraisal District provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 509 nontraditional defined benefit pension plans. TCDRS in aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more.

Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute.

At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Annual Pension Cost

For the year ending December 31, 2011, the annual pension cost for the TCDRS plan was \$ 250,620 for employer and \$ 139,400 for employee. The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees and were in compliance with GASB Statement No. 27 of the Governmental Accounting Standards Board (GASB 27), titled *Accounting for Pensions by State and Local Governmental Employers*. The employee contribution rate used for December 31, 2010 and December 31, 2011 was 7% and 7%; the employer contribution rates were 12.85 % and 11.43%, respectively.

Cameron Appraisal District
San Benito, Texas
Notes to Financial Statements
December 31, 2011

Note 8 - Other Information
(Continued)

The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 8% investment rate of return (net of administrative expenses), and (b) projected salary increases of 5.4%. Both (a) and (b) included an inflation component of 3.5%.

The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2011 was 20 years.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents current and preceding years information on the annual pension cost, the percentage of annual pension cost contributed, and the net pension obligation.

Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 87.65% funded. The actuarial accrued liability for benefits was \$ 6,596,726, and the actuarial value of assets was \$ 5,781,956, resulting in an unfunded actuarial accrued liability (UAAL) of \$ 814,770, which is 41% of annual covered payroll.

The schedule of funding progress, presented as RSI following the notes to the financial, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Note 9 – Subsequent Events

A. Subsequent Events

For the purposes of reporting subsequent events, management has considered events occurring up to April 5, 2012, the date the report was available to be issued. No subsequent events were noted.

Note 10 – New Accounting Principals

The GASB has issued Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” This Statement establishes new categories for reporting fund balance and revises the definitions for governmental fund types. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2011.

REQUIRED SUPPLEMENTARY INFORMATION



Cameron Appraisal District

San Benito, Texas

Texas County and District Retirement System

Schedule of Funding Progress

For the year ended December 31, 2011

(unaudited)

Accounting Year-End	Annual Pension Cost "APC"	Percentage of APC Contributed	Net Pension Obligation
12/31/2011	250,620	100%	-
12/31/2010	256,297	100%	-
12/31/2009	280,248	100%	-
12/31/2008	244,000	100%	-
12/31/2007	245,000	100%	-
12/31/2006	216,008	100%	-
12/31/2005	215,208	100%	-
12/31/2004	215,208	100%	-
12/31/2003	123,626	100%	-
12/31/2002	125,400	100%	-

Actuarial Valuation Date	Actuarial Value of Asset (a)	Actuarial Accrued Liability ("AAL") (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2011	5,781,956	6,596,726	814,770	87.649%	1,983,802	41.071%
12/31/2010	5,273,811	6,339,315	1,065,504	83.192%	2,032,798	52.416%
12/31/2009	5,781,956	6,596,726	814,770	87.650%	1,901,302	42.853%
12/31/2008	5,273,811	6,339,315	1,065,504	83.192%	1,713,796	62.172%
12/31/2007	5,391,175	6,144,290	753,115	87.743%	1,741,424	43.247%
12/31/2006	4,935,861	5,649,928	714,067	87.361%	1,696,846	42.082%
12/31/2005	4,233,240	5,138,781	905,541	82.378%	1,590,598	56.931%
12/31/2004	3,629,213	4,549,849	920,636	82.378%	1,601,217	57.496%
12/31/2003	3,321,998	4,270,754	948,756	77.780%	1,424,938	66.582%
12/31/2002	2,906,580	3,483,414	576,834	83.440%	1,663,824	34.669%

Cameron Appraisal District
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non- GAAP Budgetary Basis)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final</u>
	<u>Original</u>	<u>Final</u>	<u>Budget</u>	<u>Variance</u>
			<u>Basis</u>	<u>Budget</u>
				<u>Basis</u>
Revenues				
Assessments	\$ 3,449,839	\$ 3,578,929	\$ 3,547,423	\$ (31,506)
Investment income	-	-	2,592	2,592
Miscellaneous income	-	-	20,049	20,049
Total Revenues	<u>3,449,839</u>	<u>3,578,929</u>	<u>3,570,064</u>	<u>(8,865)</u>
Expenditures				
Salaries and other compensation	1,990,675	2,063,577	1,991,430	72,147
Contractual services	175,465	168,828	171,825	(2,997)
Supplies and training	485,933	546,600	481,890	64,710
Insurance and benefits	645,489	670,570	672,223	(1,653)
Other expenses	80,429	90,354	79,225	11,129
Capital outlay	71,848	39,000	150,830	(111,830)
Total Expenditures	<u>3,449,839</u>	<u>3,578,929</u>	<u>3,547,423</u>	<u>31,506</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>22,641</u>	<u>22,641</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>22,641</u>	<u>22,641</u>
Fund Balance - Beginning	<u>1,532,415</u>	<u>1,532,415</u>	<u>1,532,415</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 1,532,415</u>	<u>\$ 1,532,415</u>	<u>\$ 1,555,056</u>	<u>\$ 22,641</u>

The notes to the financial statements are an integral part of this statement.

Cameron Appraisal District
San Benito, Texas
Notes to Required Supplementary Information
December 31, 2011

A. Budget Basis of Accounting

The District prepares its annual budget on a basis (budget basis), which differs from generally accepted accounting principles (GAAP Basis). The budget and all transactions are presented in accordance with the District's method (budget basis) in the Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual-General fund to provide a meaningful comparison of actual results with the budget.

B. Budget Reconciliation to GAAP

The major differences between the budget basis and GAAP basis are,

1. Capital purchases and lease principal payments are outflows for budgetary purposes, but are not expenditures for financial reporting purposes
2. Depreciation expenses which are reflected in the GAAP basis budget are not considered in the budget basis.
3. Compensated absences are included in the GAAP basis budget when incurred, while on the budget basis they are expensed as paid.

Reconciliation amounts are summarized below:

	Revenues		Net Major Adjustment
	Increases	Decreases	Needed for GAAP
None	-	-	-
Adjustments to Reconcile to GAAP Basis	-	-	-
<hr/>			
	Expenditures		Net Major Adjustment
	Increases	Decreases	Needed for GAAP
Capital Outlay Expenditures	-	(122,466)	(122,466)
Change in Compensated Absences Incurred	-	(3,814)	(3,814)
Depreciation Expense	81,394	-	81,394
Adjustments to Reconcile to GAAP Basis	81,394	(126,280)	(44,886)

Fiduciary Fund
Schedule of Changes in Educational & Relations
Assets & Liabilities

Educational & Relations Fund is used to account for all changes in educational & relations fund that the District holds for employee educational and public relations needs.

Cameron Appraisal District
Statement of Changes in Fiduciary Education & Relations Assets & Liabilities
Fiduciary Funds
December 31, 2011

	Education & Public Relations
Additions	17,020
<i>Total Additions</i>	17,020
 Deductions	 10,885
<i>Total Deductions</i>	10,885
 <i>Change in Assets & Liabilities</i>	 6,135
<i>Education & Relations Assets & Liabilities - Beginning</i>	11,740
<i>Education & Relations Assets & Liabilities - Ending</i>	\$ 17,875

STATISTICAL SECTION



Cameron Appraisal District
San Benito, Texas

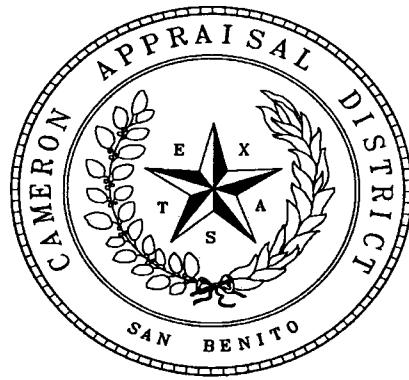
Statistical Section
(unaudited)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents	Page
Financial Trends	43-48
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	49-58
These schedules contain information to help the reader assess the District's most significant local revenue source.	
Debt Capacity	59
These schedules presents information to help the reader assess the affordability of the District's current levels of outstanding debts.	
Demographic and Economic Information	60-62
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	63-65
These schedules contain data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources: The information in these schedules is derived from the comprehensive annual financial report for the relevant year, unless otherwise noted.

FINANCIAL TRENDS



Cameron Appraisal District
San Benito, Texas

Net Assets By Component
Last Ten Fiscal Years

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental Activities					
Invested in Capital Assets -					
Net of Related Debt	\$ 517,078	\$ 476,006	\$ 457,989	\$ 601,822	\$ 700,682
Restricted	-	-	-	-	-
Unrestricted	<u>1,512,308</u>	<u>1,485,852</u>	<u>1,445,027</u>	<u>1,445,027</u>	<u>1,610,623</u>
 Total Net Assets	 <u>\$ 2,029,386</u>	 <u>\$ 1,961,858</u>	 <u>\$ 1,903,016</u>	 <u>\$ 2,046,849</u>	 <u>\$ 2,311,305</u>
	 <u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Governmental Activities					
Invested in Capital Assets -					
Net of Related Debt	\$ 832,766	\$ 1,011,623	\$ 473,915	\$ 671,319	N/A
Restricted	-	-	-	-	-
Unrestricted	<u>1,182,705</u>	<u>680,598</u>	<u>1,238,671</u>	<u>1,191,135</u>	N/A
 Total Net Assets	 <u>\$ 2,015,471</u>	 <u>\$ 1,692,221</u>	 <u>\$ 1,712,586</u>	 <u>\$ 1,862,454</u>	 <u>N/A</u>

N/A- Information was not available.

Source: Financial Statements and Independent Auditor's Report
Statement of Net Assets
2003-2011 Fiscal Year Ends

Cameron Appraisal District
San Benito, Texas

Changes In Net Assets
Last Ten Fiscal Years

	2011	2010	2009	2008
Expenses				
Governmental Activities				
Appraisal services	\$ 3,502,537	\$ 3,574,264	\$ 3,547,693	\$ 3,578,239
Total Governmental Activities Expenses	3,502,537	3,574,264	3,547,693	3,578,239
Program Revenues				
Governmental Activities				
Charges of services:				
Assessments	3,547,423	3,537,522	3,365,741	3,620,382
Total Governmental Activities - Program Revenues	3,547,423	3,537,522	3,365,741	3,620,382
Total Net (Expense) Revenue				
Governmental Activities	44,886	(36,742)	(181,952)	42,143
General Revenues and Other				
Changes in Net Assets				
Governmental Activities				
Investment income	2,592	5,268	11,406	59,034
Miscellaneous income	20,049	35,470	23,305	12,622
Total Governmental Activities	22,641	40,738	34,711	71,656
Special Items	-	54,757	-	-
Total Change in Net Assets				
Governmental Activities	\$ 67,527	\$ 58,753	\$ (147,241)	\$ 113,799

N/A- Information was not available.

Source: Financial Statements and Independent Auditor's Report
Statement of Activities
2003-2011 Fiscal Year Ends

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	<u>3,613,846</u>	<u>\$ 3,481,903</u>	<u>\$ 3,201,533</u>	<u>\$ 2,828,191</u>	<u>\$ 2,608,945</u>	<u>\$ N/A</u>
	<u>3,613,846</u>	<u>3,481,903</u>	<u>3,201,533</u>	<u>2,828,191</u>	<u>2,608,945</u>	<u>N/A</u>
	<u>3,645,291</u>	<u>3,573,590</u>	<u>3,010,027</u>	<u>2,891,873</u>	<u>2,813,819</u>	<u>N/A</u>
	<u>3,645,291</u>	<u>3,573,590</u>	<u>3,010,027</u>	<u>2,891,873</u>	<u>2,813,819</u>	<u>N/A</u>
	31,445	91,687	(191,506)	63,682	204,874	N/A
	103,908	90,361	58,785	18,747	17,750	N/A
	<u>13,328</u>	<u>13,631</u>	<u>3,775</u>	<u>23,765</u>	<u>6,332</u>	
	117,236	103,992	62,560	42,512	24,082	N/A
	-	-	-	-	-	-
\$	<u>148,681</u>	<u>\$ 195,679</u>	<u>\$ (128,946)</u>	<u>\$ 106,194</u>	<u>\$ 228,956</u>	<u>\$ N/A</u>

Cameron Appraisal District
San Benito, Texas

Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund					
PRE GASB 54					
Reserved fund balances	\$ -	\$ 1,492,709	\$ 1,441,619	\$ 450,000	\$ -
Unreserved and undesignated	-	40,090	47,593	1,040,426	1,722,574
POST GASB 54					
Restricted:					
General reserve	907,415	-	-	-	-
Special revenue	386	-	-	-	-
Committed:					
Building improvements and renovations	625,000	-	-	-	-
Unassigned	<u>22,641</u>	<u>40,090</u>	<u>47,593</u>	<u>1,040,426</u>	<u>1,722,574</u>
Total General Fund	\$ <u>1,555,442</u>	\$ <u>1,572,889</u>	\$ <u>1,536,805</u>	\$ <u>2,530,852</u>	\$ <u>3,445,148</u>
	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
PRE GASB 54					
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ N/A
Unreserved	<u>1,448,951</u>	<u>680,598</u>	<u>1,238,671</u>	<u>1,191,135</u>	<u>N/A</u>
Total General Fund	\$ <u>1,448,951</u>	\$ <u>680,598</u>	\$ <u>1,238,671</u>	\$ <u>1,191,135</u>	\$ <u>N/A</u>

N/A- Information was not available.

Source: Financial Statements and Independent Auditor's Report
Balance Sheet - Governmental Funds 2003-2011
Per GASB 54 (Note 10) 2011

Cameron Appraisal District
San Benito, Texas

Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues				
Assessments from tax units	\$ 3,547,423	3,537,522	\$ 3,365,741	\$ 3,351,750
Investment income	2,592	5,268	11,406	59,034
Miscellaneous income	<u>20,049</u>	<u>35,470</u>	<u>23,305</u>	<u>12,622</u>
Total Revenues	<u>3,570,064</u>	<u>3,578,260</u>	<u>3,400,452</u>	<u>3,423,406</u>
Expenditures				
Appraisal Services	3,547,423	3,593,017	3,401,576	3,203,140
Debt service				
Principal	-	-	-	144,528
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,607</u>
Total Expenditures	<u>3,547,423</u>	<u>3,593,017</u>	<u>3,401,576</u>	<u>3,355,275</u>
Excess of Revenues Over (Under) Expenditures	22,641	(14,757)	(1,124)	68,131
Other Financing Sources				
Insurance Proceeds	<u>-</u>	<u>54,757</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 22,641</u>	<u>40,000</u>	<u>\$ (1,124)</u>	<u>\$ 68,131</u>

N/A- Information was not available.

Source: Financial Statements and Independent Auditor's Report
Statement of Revenues, Expenditures, and Changes in Fund Balances
2003-2011 Fiscal Year Ends

2007	2006	2005	2004	2003	2002
3,645,291	3,573,590	3,010,027	2,891,873	2,813,819	N/A
103,908	90,361	58,785	18,747	17,750	N/A
13,328	13,631	3,775	23,765	6,332	N/A
<u>3,762,527</u>	<u>3,677,582</u>	<u>3,072,587</u>	<u>2,934,385</u>	<u>2,837,901</u>	<u>N/A</u>
3,441,980	3,342,032	3,008,601	2,844,214	2,608,945	N/A
44,214	44,214	44,213	46,757	-	N/A
-	-	-	-	-	N/A
<u>3,486,194</u>	<u>3,386,246</u>	<u>3,052,814</u>	<u>2,890,971</u>	<u>2,608,945</u>	<u>N/A</u>
276,333	291,336	19,773	43,414	228,956	N/A
-	-	-	-	-	N/A
<u>276,333</u>	<u>291,336</u>	<u>19,773</u>	<u>43,414</u>	<u>228,956</u>	<u>N/A</u>

REVENUE CAPACITY



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Cameron Appraisal District
San Benito, Texas

Top Five Principal Commercial, Business, and Industrial
Real and Personal Property Owners By Appraised Valuation
Last Ten Fiscal Years
(Unaudited)

Property Owners	2011 Appraised Property (a)	2010 Appraised Property (a)	2009 Appraised Property (a)	2008 Appraised Property (a)
Commercial Real Property				
CBL/SUNRISE COMMONS LP	\$ 37,663,352	\$ 37,798,983	\$ 37,883,063	\$ 37,851,631
H E BUTT GROCERY CO	33,381,280	29,837,144	29,971,001	30,305,578
COLUMBIA VALLEY HEALTHCARE SYS LP	27,835,162	27,844,994	29,957,816	29,957,816
HMC REALTY LLC	23,852,478	24,502,011	25,227,692	25,228,459
WAL-MART STORES EAST INC	22,228,022	22,646,633	22,602,525	22,228,022
SIMON PROPERTY GROUP	-	-	-	-
HARLINGEN MEDICAL CENTER LTD	-	-	-	-
VALLEY BAPTIST	-	-	-	-
BROWNSVILLE MEDICAL CENTER	-	-	-	-
Total Commercial Real Property	\$ 144,960,294	\$ 142,629,765	\$ 145,642,097	\$ 145,571,506
Business Personal Property				
WAL-MART STORES INC	\$ 38,985,082	\$ 38,074,653	\$ 39,373,919	\$ 22,228,022
H E BUTT GROCERY CO	25,156,255	22,217,270	22,518,570	19,985,377
HOME DEPOT USA INC	17,191,006	16,299,081	17,721,369	15,634,963
KEPPEL AMFELS	-	-	16,500,000	12,608,032
ESCO MARINE INC	-	-	12,918,536	12,282,636
HMC LIMITED	11,237,491	12,044,897	-	-
DILLARD'S INC	-	-	-	-
STRIPES LLC	19,982,802	19,226,324	-	-
HARLINGEN MEDICAL CENTER	-	-	-	-
SEARS ROEBUCK & CO	-	-	-	-
Total Business Personal Property	\$ 112,552,636	\$ 107,862,225	\$ 109,032,394	\$ 82,739,030

(a) Amounts shown for these property owners may not include valuations, which may be substantial, attributable certain subsidiaries and affiliates which are not grouped with the property owners shown. The amounts do not include exemption nor take into consideration any pending litigated values.

N/A- Information was not available.

Source: Cameron Appraisal District

	2007 Appraised Property (a)	2006 Appraised Property (a)	2005 Appraised Property (a)	2004 Appraised Property (a)	2003 Appraised Property (a)	2002 Appraised Property (a)
\$	37,851,631	\$ 37,635,243	\$ 19,586,037	\$ 29,279,854	\$ -	\$ -
	26,086,565	26,801,413	7,798,680	24,820,246	23,823,288	23,760,621
	29,957,816	33,510,779	7,434,810	34,153,859	33,197,316	33,637,164
	25,228,459	25,458,318	6,148,186	-	-	-
	22,646,633	22,602,525	22,228,022	20,631,244	-	14,992,234
	-	-	-	29,138,203	18,275,381	18,275,381
	-	-	-	-	29,138,203	-
	-	-	-	-	17,383,575	-
	-	-	-	-	-	15,825,679
\$	<u>141,771,104</u>	<u>\$ 146,008,278</u>	<u>\$ 63,195,735</u>	<u>\$ 138,023,406</u>	<u>\$ 121,817,763</u>	<u>\$ 106,491,079</u>
\$	22,646,633	\$ 22,602,525	\$ 50,430,415	\$ 33,169,735	\$ 32,478,687	\$ 28,707,549
	21,261,253	20,694,336	34,223,949	17,503,913	21,935,930	24,829,964
	16,814,136	17,181,988	39,556,907	11,182,561	10,973,028	11,655,503
	-	-	36,105,821	-	-	-
	-	-	-	-	-	-
	12,309,728	13,847,503	-	-	-	-
	11,674,928	11,592,403	21,296,143	11,519,305	11,138,237	10,831,924
	-	-	-	-	-	-
	-	-	-	16,183,637	16,183,637	-
	-	-	-	-	-	6,908,052
\$	<u>84,706,678</u>	<u>\$ 85,918,755</u>	<u>\$ 181,613,235</u>	<u>\$ 89,559,151</u>	<u>\$ 92,709,519</u>	<u>\$ 82,932,992</u>

Cameron Appraisal District
San Benito, Texas

Top Five Principal Commercial, Business, and Industrial
Real and Personal Property Owners By Appraised Valuation
Last Ten Fiscal Years
(Unaudited)

Property Owners	2011 Appraised Property (a)	2010 Appraised Property (a)	2009 Appraised Property (a)	2008 Appraised Property (a)
Industrial Real Property				
TITAN WHEEL INTERNATIONAL INC	\$ 13,083,032	\$ 13,083,032	\$ 13,083,032	\$ 13,619,893
BIP NAFTA BUSINESS PARK I LTD PRT	7,308,000	8,157,236	8,232,507	7,560,000
RICH-SEAPAK CORP	7,095,778	7,434,810	7,434,810	7,434,810
KEPPEL AMFELS INC	8,083,836	8,083,836	8,000,000	5,964,088
TRICO TECHNOLOGIES	-	-	-	5,242,691
FRUIT OF THE LOOM TEXAS INC	-	-	-	-
NAFTA DEVELOPMENT GROUP INC	-	-	-	-
FINSA/HAR-VEST LTD	8,527,185	8,483,226	8,518,024	-
GORGES MATT F	-	-	-	-
Total Industrial Real Property	\$ 44,097,831	\$ 45,242,140	\$ 45,268,373	\$ 39,821,482
Industrial Personal Property				
DELPHI ELECTRONIC & SAFETY	\$ -	\$ -	\$ 35,444,674	\$ 56,244,047
RICH-SEAPAK CORP	-	25,137,037	-	38,756,886
TRICO PRODUCTS CORP	33,508,461	26,888,876	29,364,128	33,289,196
PANASONIC AUTOMOTIVE ELECTRONICS	23,086,281	-	-	21,000,400
TRANSMONTAIGNE PRODUCT, INC	32,405,667	23,613,397	20,544,298	20,073,055
UNITED LAUNCH ALLIANCE LLC	38,271,757	35,148,338	24,844,244	-
LOCKHEED MARTIN	-	-	-	-
DYNASOL LLC	-	-	20,385,122	-
GLH LP	30,125,479	24,331,532	-	-
DELCO ELECTRONIC CORP	-	-	-	-
FRUIT OF THE LOOM TEXAS INC	-	-	-	-
VF IMAGEWEAR (EAST) INC	-	-	-	-
KEPPEL AMFELS	-	-	-	-
Total Industrial Personal Property	\$ 157,397,645	\$ 135,119,180	\$ 130,582,466	\$ 169,363,584

- (a) Amounts shown for these property owners may not include valuations, which may be substantial, attributable certain subsidiaries and affiliates which are not grouped with the property owners shown. The amounts do not include exemption nor take into consideration any pending litigated values.

N/A- Information was not available.

Source: Cameron Appraisal District

2007 Appraised Property (a)	2006 Appraised Property (a)	2005 Appraised Property (a)	2004 Appraised Property (a)	2003 Appraised Property (a)	2002 Appraised Property (a)
\$ 18,732,378	\$ 19,586,037	\$ 16,021,577	\$ 20,189,515	\$ -	\$ -
7,560,000	7,798,680	-	-	-	-
7,434,810	7,434,810	7,434,810	7,434,810	7,434,810	6,629,034
5,964,088	6,148,186	7,846,385	7,846,385	7,846,385	7,846,385
5,511,265	6,625,632	-	-	10,548,743	-
-	-	10,830,090	10,830,090	14,103,998	14,396,703
-	-	7,919,966	7,919,966	7,919,966	7,919,966
-	-	-	-	-	-
-	-	-	-	-	5,574,170
<u>\$ 45,202,541</u>	<u>\$ 47,593,345</u>	<u>\$ 50,052,828</u>	<u>\$ 54,220,766</u>	<u>\$ 47,853,902</u>	<u>\$ 42,366,258</u>
\$ 48,256,726	\$ 50,430,415	\$ -	\$ -	\$ -	\$ -
33,811,910	34,223,949	-	27,578,257	20,239,074	-
34,579,782	39,556,907	36,506,957	30,379,707	28,224,894	26,548,626
26,034,212	36,105,821	17,453,803	-	-	-
-	-	-	-	-	-
21,416,844	-	-	-	-	-
-	21,296,143	26,924,012	29,375,219	29,489,667	29,756,550
-	-	34,402,197	-	-	-
-	-	16,497,975	-	-	-
-	-	-	26,132,781	36,823,425	26,847,395
-	-	-	14,839,621	31,086,814	34,283,685
-	-	-	-	-	27,559,479
-	-	-	-	-	-
<u>\$ 164,099,474</u>	<u>\$ 181,613,235</u>	<u>\$ 131,784,944</u>	<u>\$ 128,305,585</u>	<u>\$ 145,863,874</u>	<u>\$ 144,995,735</u>

Cameron Appraisal District
San Benito, Texas

Top Five Principal Commercial, Business, and Industrial
Real and Personal Property Owners By Appraised Valuation
Last Ten Fiscal Years
(Unaudited)

Property Owners	2011 Appraised Property (a)	2010 Appraised Property (a)	2009 Appraised Property (a)	2008 Appraised Property (a)
Minerals				
RINCON PETROLEUM CORP	\$ 698,350	\$ 1,131,290	\$ -	\$ 535,760
FAULCONER VERNON E	252,140	333,720	261,250	527,370
ROSETTA RESOURCES OPERATING	-	-	14,100	27,410
EOG RESOURCES	30,210	43,930	-	26,830
PINNACLE OPERATING COMPANY INC	-	-	11,700	17,160
RIO GRANDE ROYALTY CO INC	22,660	32,950	-	-
NEW AGE ENERGY-RI/ORRI	22,660	32,950	-	-
CRAIN RESOURCES LTD	-	-	15,440	-
GRIFFITH MINERAL PARTNERS	-	-	15,090	-
RIO GRANDE ROYALTY COMPANY INC	-	-	-	-
WESTERN GULF OIL & GAS LLC	-	-	-	-
CHEVRON USA INC	-	-	-	-
AWP OPERATING CO.	-	-	-	-
Total minerals	\$ 1,026,020	\$ 1,574,840	\$ 317,580	\$ 1,134,530
Utilities				
AEP TEXAS CENTRAL CO	\$ 102,622,243	\$ 111,829,750	\$ 99,410,550	\$ 95,834,490
SOUTHWESTERN BELL TELE	47,941,560	53,745,560	62,629,070	66,944,120
UNION PACIFIC RR CO	32,080,510	28,147,250	25,494,010	22,648,920
TWE-ADVANCED/NEWHOUSE PRTNSHIP	17,645,560	22,172,580	20,802,700	21,987,590
MAGIC VALLEY ELEC COOP	12,608,601	12,343,320	13,020,056	18,795,560
TX & KANSAS CITY CABLE PTRS LP	-	-	-	-
Total utilities	\$ 212,898,474	\$ 228,238,460	\$ 221,356,386	\$ 226,210,680

(a) Amounts shown for these property owners may not include valuations, which may be substantial, attributable certain subsidiaries and affiliates which are not grouped with the property owners shown. The amounts do not include exemption nor take into consideration any pending litigated values.

N/A- Information was not available.

Source: Cameron Appraisal District

2007 Appraised Property (a)	2006 Appraised Property (a)	2005 Appraised Property (a)	2004 Appraised Property (a)	2003 Appraised Property (a)	2002 Appraised Property (a)
\$ 393,000	\$ 657,780	\$ 345,090	\$ 449,460	\$ 1,729,770	\$ -
154,860	150,980	118,990	16,500	-	258,690
21,350	-	-	-	-	-
12,470	18,930	-	-	-	-
11,700	-	15,770	34,840	-	46,030
-	15,110	8,900	-	-	-
-	14,200	-	-	-	-
-	-	21,000	-	-	-
-	-	-	-	-	-
-	-	-	-	629,190	2,073,840
-	-	-	37,790	341,980	127,940
-	-	-	37,790	87,860	-
-	-	-	62,740	80,780	137,640
<u>\$ 593,380</u>	<u>\$ 857,000</u>	<u>\$ 509,750</u>	<u>\$ 639,120</u>	<u>\$ 2,869,580</u>	<u>\$ 2,644,140</u>
\$ 88,204,300	\$ 104,875,630	\$ 98,410,761	\$ 86,139,046	\$ 81,396,240	\$ 63,155,580
74,853,360	72,344,960	73,486,681	73,464,882	82,236,853	87,571,720
20,719,200	19,749,980	19,744,080	20,195,100	17,302,250	14,957,830
23,549,690	-	-	-	-	-
16,314,020	15,942,040	15,336,040	14,481,292	13,188,682	11,927,270
-	24,149,430	25,925,490	26,204,250	25,495,000	20,067,870
<u>\$ 223,640,570</u>	<u>\$ 237,062,040</u>	<u>\$ 232,903,052</u>	<u>\$ 220,484,570</u>	<u>\$ 219,619,025</u>	<u>\$ 197,680,270</u>

Cameron Appraisal District
San Benito, Texas

Revenue Base
Last Ten Fiscal Years
(Unaudited)

Taxing Entity	2011		2010		2009		2008		2007	
	2010 Tax Levy	Levy %	2009 Tax Levy	Levy %	2008 Tax Levy	Levy %	2007 Tax Levy	Levy %	2006 Tax Levy	Levy %
Brownsville I.S.D.	\$ 53,617,610	16.220%	\$ 53,382,448	16.640%	\$ 52,931,405	16.760%	\$ 51,069,707	17.320%	\$ 61,639,120	20.320%
Cameron County	56,288,599	17.030%	55,298,963	17.230%	53,738,393	17.010%	48,928,978	16.590%	45,413,918	14.970%
Point Isabel I.S.D.	39,443,890	11.930%	36,902,522	11.500%	37,210,277	11.780%	32,841,612	11.140%	33,425,736	11.020%
City of Brownsville	35,110,210	10.620%	34,741,468	10.830%	34,308,303	10.860%	32,822,842	11.130%	30,741,516	10.130%
Harlingen I.S.D.	36,618,546	11.080%	33,714,729	10.510%	33,135,679	10.490%	31,887,005	10.810%	38,152,889	12.580%
TX Southmost College Dist	17,119,086	5.180%	16,701,520	5.210%	16,647,944	5.270%	15,360,034	5.210%	13,817,049	4.560%
City of Harlingen	15,696,199	4.750%	15,677,296	4.890%	14,988,796	4.750%	14,522,362	4.920%	13,737,247	4.530%
Los Fresnos I.S.D.	14,664,868	4.440%	13,974,909	4.360%	13,752,228	4.350%	12,839,911	4.350%	13,651,464	4.500%
San Benito I.S.D.	10,850,966	3.280%	10,298,051	3.210%	9,851,473	3.120%	8,735,557	2.960%	10,201,054	3.360%
South Texas I.S.D.	7,816,816	2.360%	7,708,248	2.400%	7,692,573	2.440%	7,037,500	2.390%	5,237,746	1.730%
Town of South Padre	6,303,337	1.910%	5,946,300	1.850%	5,944,245	1.880%	5,479,052	1.860%	4,772,418	1.570%
La Feria I.S.D.	4,587,458	1.390%	4,676,943	1.460%	4,319,891	1.370%	3,931,475	1.330%	4,220,083	1.390%
City of San Benito	3,918,836	1.190%	3,852,062	1.200%	3,703,826	1.170%	3,526,581	1.200%	3,428,391	1.130%
Brownsville Navigation Dist	3,236,988	0.980%	3,242,632	1.010%	3,229,690	1.020%	3,403,509	1.150%	3,376,858	1.110%
Cameron Cnty Emer. Dist #1	2,751,837	0.830%	2,692,797	0.840%	2,761,388	0.870%	2,493,840	0.850%	2,264,644	0.750%
Rio Hondo I.S.D.	2,658,837	0.800%	2,688,975	0.840%	2,629,696	0.830%	2,350,252	0.800%	2,690,921	0.890%
Laguna Madre Water Dist	2,645,971	0.800%	2,524,399	0.790%	2,529,510	0.800%	2,308,742	0.780%	2,368,484	0.780%
SBCC Drainage Dist. #3	2,236,974	0.680%	2,199,392	0.690%	2,148,904	0.680%	2,052,740	0.700%	1,954,859	0.640%
CC Drainage Dist. #5	1,982,101	0.600%	1,955,256	0.610%	1,922,516	0.610%	1,822,984	0.620%	1,713,165	0.560%
City of Port Isabel	1,930,162	0.580%	1,818,129	0.570%	1,785,856	0.570%	1,645,703	0.560%	1,485,441	0.490%
CC Drainage Dist. #1	1,385,343	0.420%	1,367,661	0.430%	1,354,118	0.430%	1,326,478	0.450%	1,289,712	0.430%
City of La Feria	1,243,364	0.380%	1,249,769	0.390%	1,225,157	0.390%	1,098,261	0.370%	955,696	0.320%
City of Los Fresnos	1,043,186	0.320%	1,007,521	0.310%	1,025,915	0.320%	967,254	0.330%	865,781	0.290%
Valley MUD #2	908,682	0.270%	891,004	0.280%	900,007	0.280%	872,636	0.300%	832,864	0.270%
Santa Rosa I.S.D.	909,488	0.280%	879,946	0.270%	811,693	0.260%	758,358	0.260%	862,716	0.280%
Town of Laguna Vista	900,878	0.270%	898,015	0.280%	866,017	0.270%	736,561	0.250%	377,583	0.120%
Town of Rancho Viejo	780,816	0.240%	764,303	0.240%	744,956	0.240%	727,447	0.250%	690,974	0.230%
City of Primera	587,750	0.180%	576,475	0.180%	559,297	0.180%	492,856	0.170%	436,794	0.140%
Santa Maria I.S.D.	496,912	0.150%	468,139	0.150%	449,283	0.140%	444,049	0.150%	541,502	0.180%
Town of Palm Valley	475,521	0.140%	469,817	0.150%	472,580	0.150%	434,085	0.150%	399,100	0.130%
City of Rio Hondo	467,495	0.140%	430,740	0.130%	402,733	0.130%	373,035	0.130%	329,946	0.110%
Paseo de la Resaca #2	396,365	0.120%	409,324	0.130%	402,014	0.130%	330,840	0.110%	305,469	0.100%
Paseo de la Resaca #3	362,724	0.110%	365,152	0.110%	369,865	0.120%	317,683	0.110%	255,178	0.080%
City of Combes	354,329	0.110%	334,038	0.100%	300,302	0.100%	282,018	0.100%	271,744	0.090%
Paseo de la Resaca #1	260,200	0.080%	263,362	0.080%	256,019	0.080%	248,746	0.080%	243,080	0.080%
City of San Rosa	191,611	0.060%	178,196	0.060%	172,919	0.050%	176,452	0.060%	171,055	0.060%
Palm Valley Est Utility Dist.	-	0.000%	N/A	0.000%	N/A	0.000%	N/A	0.000%	N/A	0.000%
Lyford I.S.D.	101,085	0.030%	86,607	0.030%	76,166	0.020%	86,303	0.030%	N/A	0.000%
Town of Bayview	96,694	0.030%	92,556	0.030%	90,736	0.030%	84,544	0.030%	78,318	0.030%
Town of Indian Lake	84,959	0.030%	94,207	0.030%	92,657	0.030%	83,845	0.030%	89,841	0.030%
CC Drainage Dist. #4	40,839	0.010%	40,591	0.010%	39,356	0.010%	37,772	0.010%	34,847	0.010%
\$ 330,567,533	100.020%	\$ 320,864,463	100%	\$ 315,844,382	100%	\$ 294,939,609	100%	\$ 303,325,201	100%	

N/A- Information was not available.

Source: Cameron Appraisal District

2006		2005		2004		Fiscal Year 2003		Fiscal Year 2002	
2005 Tax Levy	Levy %	2004 Tax Levy	Levy %	2003 Tax Levy	Levy %	2002 Tax Levy	Levy Percentage	2001 Tax Levy	Levy Percentage
56,893,668	18.760%	\$ 56,893,668	20.240%	\$ 53,980,789	20.810%	\$ 45,411,431	21.300%	\$ 41,692,044	21.540%
41,561,524	13.700%	41,561,524	14.790%	38,611,088	14.880%	30,751,694	14.420%	28,231,513	14.590%
30,526,709	10.060%	30,526,709	10.860%	26,730,828	10.300%	19,559,768	9.170%	17,251,009	8.910%
27,930,676	9.210%	27,930,676	9.940%	26,386,518	10.170%	21,773,963	10.210%	19,906,139	10.290%
37,739,109	12.440%	37,739,109	13.430%	36,444,732	14.050%	31,415,196	14.730%	29,258,291	15.120%
12,262,774	4.040%	12,262,774	4.360%	9,062,544	3.490%	7,634,474	3.580%	6,967,041	3.600%
12,547,864	4.140%	12,547,864	4.460%	11,908,856	4.590%	10,121,109	4.750%	8,797,763	4.550%
12,264,990	4.040%	12,264,990	4.360%	10,552,768	4.070%	8,549,660	4.010%	7,096,542	3.670%
9,914,260	3.270%	9,914,260	3.530%	8,964,960	3.460%	7,180,570	3.370%	6,478,359	3.350%
4,633,907	1.530%	4,633,907	1.650%	4,305,437	1.660%	3,634,523	1.700%	3,346,007	1.730%
4,196,142	1.380%	4,196,142	1.490%	3,756,226	1.450%	2,653,324	1.240%	2,346,116	1.210%
3,754,596	1.240%	3,754,596	1.340%	3,298,529	1.270%	2,669,539	1.250%	2,416,986	1.250%
3,215,106	1.060%	3,215,106	1.140%	2,962,222	1.140%	2,548,904	1.200%	2,376,673	1.230%
3,475,578	1.150%	3,475,578	1.240%	3,475,208	1.340%	3,022,846	1.420%	2,906,222	1.500%
1,996,641	0.660%	1,996,641	0.710%	1,870,974	0.720%	1,698,855	0.800%	1,579,215	0.820%
2,583,829	0.850%	2,583,829	0.920%	2,427,431	0.940%	1,933,261	0.910%	1,613,078	0.830%
2,238,576	0.740%	2,238,576	0.800%	2,301,511	0.890%	2,410,272	1.130%	2,254,426	1.160%
1,952,608	0.640%	1,952,608	0.690%	1,840,864	0.710%	1,458,958	0.680%	1,358,376	0.700%
1,656,143	0.550%	1,656,143	0.590%	1,554,294	0.600%	1,325,593	0.620%	1,237,246	0.640%
1,434,268	0.470%	1,434,268	0.510%	1,264,675	0.490%	1,092,861	0.510%	966,443	0.500%
1,264,716	0.420%	1,264,716	0.450%	1,213,638	0.470%	684,507	0.320%	636,988	0.330%
897,784	0.300%	897,784	0.320%	846,138	0.330%	745,932	0.350%	664,922	0.340%
783,289	0.260%	783,289	0.280%	679,653	0.260%	771,876	0.360%	522,399	0.270%
767,179	0.250%	767,179	0.270%	738,812	0.280%	621,311	0.290%	541,675	0.280%
809,530	0.270%	809,530	0.290%	772,074	0.300%	708,809	0.330%	639,092	0.330%
351,063	0.120%	351,063	0.120%	283,164	0.110%	220,740	0.100%	197,762	0.100%
644,099	0.210%	644,099	0.230%	637,593	0.250%	578,272	0.270%	554,354	0.290%
390,755	0.130%	390,755	0.140%	258,755	0.100%	214,136	0.100%	165,262	0.090%
465,897	0.150%	465,897	0.170%	517,139	0.200%	399,358	0.190%	283,101	0.150%
369,226	0.120%	369,226	0.130%	252,501	0.100%	286,231	0.130%	281,152	0.150%
300,268	0.100%	300,268	0.110%	276,871	0.110%	220,841	0.100%	209,276	0.110%
276,993	0.090%	276,993	0.100%	237,334	0.090%	156,073	0.070%	107,296	0.060%
179,396	0.060%	179,396	0.060%	204,446	0.080%	16,634	0.010%	3,349	0.000%
248,594	0.080%	248,594	0.090%	248,312	0.100%	205,696	0.100%	186,482	0.100%
228,015	0.080%	228,015	0.080%	116,492	0.040%	152,737	0.070%	118,711	0.060%
148,021	0.050%	148,021	0.050%	147,094	0.060%	131,446	0.060%	125,563	0.060%
N/A	0.000%	N/A	0.000%	118,015	0.050%	109,353	0.050%	105,799	0.050%
N/A	0.000%	N/A	0.000%	N/A	0.000%	-	0.000%	-	0.000%
67,366	0.020%	67,366	0.020%	50,621	0.020%	45,017	0.020%	-	0.000%
87,145	0.030%	87,145	0.030%	76,318	0.030%	70,695	0.030%	69,045	0.040%
30,754	0.010%	30,754	0.010%	27,893	0.010%	23,837	0.010%	21,297	0.010%
<u>281,089,061</u>	<u>93%</u>	<u>\$ 281,089,061</u>	<u>100.0000%</u>	<u>\$ 259,403,327</u>	<u>100.0200%</u>	<u>213,210,302</u>	<u>100.000%</u>	<u>\$ 193,513,011</u>	<u>100.0100%</u>

Cameron Appraisal District
San Benito, Texas

Top Ten Revenue Sources
Last Ten Fiscal Years
(Unaudited)

Payor	2011		2010		2009		2008		2007	
	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank
Cameron County	\$ 609,414	1	\$ 625,851	1	\$ 599,530	1	\$ 600,603	2	\$ 545,774	2
Brownsville I.S.D.	580,497	2	604,162	2	590,527	2	626,880	1	740,764	1
Point Isabel I.S.D.	427,044	3	417,648	3	415,135	3	403,131	3	401,703	4
City of Brownsville	380,124	4	393,190	4	382,759	4	402,900	4	369,444	5
Harlingen I.S.D.	396,455	5	381,570	5	369,677	5	391,413	5	458,512	3
TX Southmost College Dist	185,342	6	189,021	6	185,732	6	188,544	6	166,050	6
City of Harlingen	169,937	7	177,429	7	167,222	7	178,262	7	165,091	7
Los Fresnos I.S.D.	158,771	8	158,163	8	153,426	8	157,610	8	164,060	8
San Benito I.S.D.	117,479	9	116,549	9	109,907	9	107,229	9	122,594	9
South Texas I.S.D.	84,630	10	87,239	10	85,822	10	86,385	10	62,946	10

Payor	2006		2005		2004		2003		2002	
	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank	Assessments	Rank
Brownsville I.S.D.	\$ 723,310	1	\$ 626,375	1	\$ 429,333	2	\$ 397,079	3	\$ 382,363	3
Cameron County	528,388	2	448,029	2	608,018	1	586,376	1	564,666	1
Harlingen I.S.D.	479,791	3	422,892	3	277,474	5	252,566	5	233,643	5
Point Isabel I.S.D.	388,097	4	310,175	4	285,736	4	281,157	4	269,603	4
City of Brownsville	355,093	5	306,180	5	426,818	3	405,649	2	396,266	2
City of Harlingen	159,526	6	138,186	6	100,726	8	98,580	8	94,360	8
Los Fresnos I.S.D.	155,929	7	122,451	7	137,625	6	130,689	6	119,154	6
TX Southmost College Dist	155,901	8	105,159	8	119,134	7	110,398	7	96,114	7
San Benito I.S.D.	126,044	9	104,026	9	97,581	9	92,719	9	87,741	9
South Texas I.S.D.	58,913	10	49,959	10	47,838	10	46,931	10	45,317	10

Source: Cameron Appraisal District

Cameron Appraisal District

San Benito, Texas

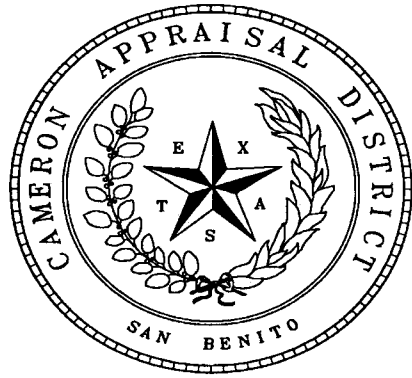
Top Ten Revenue Types
Last Ten Fiscal Years
(Unaudited)

Payor Type	2011 Assessments	2010 Assessments	2009 Assessments	2008 Assessments	2007 Assessments
Municipalities and Cities	\$ 749,041.00	\$ 771,078	\$ 743,961	\$ 778,883	\$ 707,028
School Districts	1,824,390.00	1,828,234	1,816,945	1,865,575	2,050,510
County	609,414.00	625,851	599,530	600,603	545,774
MUD	20,873.00	21,831	21,508	21,726	19,668
Water Districts	63,693.00	65,269	28,220	28,340	28,464
Drainage Districts	61,119.00	62,959	60,968	64,321	59,999
Emergency Districts	29,793.00	30,476	30,807	30,612	27,216
Special Districts	35,260	36,699	36,032	41,778	40,582
Other	185,342	189,021	185,732	188,544	166,050
	<u>\$ 3,578,925</u>	<u>\$ 3,631,418</u>	<u>\$ 3,523,703</u>	<u>\$ 3,620,382</u>	<u>\$ 3,645,291</u>

Payor Type	2006 Assessments	2005 Assessments	2004 Assessments	2003 Assessments	2002 Assessments
Municipalities and Cities	\$ 681,584	\$ 580,595	\$ 554,962	\$ 538,208	\$ 506,729
School Districts	2,028,882	1,717,280	1,650,306	1,568,382	1,490,819
County	528,388	448,029	429,333	397,079	382,363
MUD	18,455	15,051	13,816	12,225	10,442
Water Districts	28,460	26,706	27,194	31,123	30,533
Drainage Districts	62,349	53,803	53,390	45,103	44,069
Emergency Districts	25,384	21,710	22,697	23,348	22,821
Special Districts	44,186	41,694	39,449	39,033	39,361
Other	155,901	105,159	100,726	98,580	94,360
	<u>\$ 3,573,589</u>	<u>\$ 3,010,027</u>	<u>\$ 2,891,873</u>	<u>\$ 2,753,081</u>	<u>\$ 2,621,497</u>

Source: Cameron Appraisal District

DEBT CAPACITY



Cameron Appraisal District
San Benito, Texas

Ratios of Outstanding Debt By Type
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Note Payable</u>	<u>Bond Payable</u>	<u>Total Primary Government</u>	<u>Number of Tax Units</u>	<u>Cost Per Tax Unit</u>
2011	\$ -	\$ -	\$ -	40	\$ -
2010	-	-	-	40	-
2009	-	-	-	40	-
2008	-	-	-	40	-
2007	152,135	-	152,135	40	3,803
2006	304,270	-	304,270	40	7,607
2005	518,562	-	518,562	40	12,964
2004	-	-	-	40	-
2003	-	-	-	40	-
2002	N/A	N/A	N/A	N/A	N/A

N/A- Information was not available.

Source: Financial Statements and Independent Auditor's Report
Notes to Financial Statements - Long-Term Obligations 2005-2007

DEMOGRAPHIC AND ECONOMIC INFORMATION



Cameron Appraisal District

San Benito, Texas

Demographic Statistics - Primary Metropolitan Statistical Area - Last Ten Years (Unaudited)

<u>Year</u>	<u>Estimated Population</u>	<u>Personal Income (c)</u>	<u>Estimated Per Capita Income</u>	<u>Unemployment Rate (a)</u>
2011	N/A	\$ 32,280 \$	N/A	12.05%
2010	406,220	31,720	13,695	11.200%
2009	396,371	28,855	22,388	9.700%
2008	389,164	28,342	22,090	6.800%
2007	387,210	27,126	20,553	6.000%
2006	379,708	25,795	19,366	6.600%
2005	372,703	24,893	18,537	7.600%
2004	365,815	24,222	17,821	8.800%
2003	358,366	23,539	17,396	9.500%
2002	350,407	22,892	16,736	9.000%
2001	342,684	22,142	15,910	7.900%

N/A- Information was not available.

Source: Real Estate Center At Texas A&M University, from the Market Report 2011 for the Brownsville-Harlingen area.

Bureau of Labor Statistics

Cameron Appraisal District
San Benito, Texas

Ten Largest Employers - Last Ten Years
(Unaudited)

Employer	2011	Rank	2010	Rank	2009	Rank	2008	Rank	2007	Rank
BISD	7708	1	7,434	1	7,434	1	7,300	1	7,080	1
HCISD	2848	2	2,848	2	2,675	3	2,675	2	2,582	2
VBMC	2668	3	2,647	3	2,931	2	2,214	5	2,024	5
UT-BROWNSVILLE	2343	4	2,386	4	2,386	4	2,264	4	2,077	4
CAMERON CNTY	2040	5	2,076	5	2,076	5	1,750	6	1,838	6
AMFELS	1600	6	1,695	6	1,695	6	2,361	3	2,273	3
HEB	1567	7	1,552	7	1,521	8	-	-	-	-
WAL-MART	1511	8	1,511	8	1,608	7	1,463	8	1,174	7
ADVANCED CALL CENTER	1250	9	-	-	-	-	-	-	-	-
CITY OF BROWNSVILLE	1200	10	1,178	9	1,178	9	1,300	10	1,114	8
DISH NETWORK	-	-	1,036	10	-	-	-	-	925	9
VICKI ROY	-	-	-	-	-	-	-	-	888	10
CONVERGYS	-	-	-	-	1,000	10	-	-	-	-
SBCISD	-	-	-	-	-	-	1,700	7	-	-
STRIPES LTD	-	-	-	-	-	-	1,440	9	-	-

Employer	2006	Rank	2005	Rank	2004	Rank	2003	Rank	2002	Rank
BISD	6926	1	6,125	1	N/A	1	N/A	1	N/A	1
UT-BROWNSVILLE	1828	4	1,628	4	N/A	4	N/A	4	N/A	4
CAMERON CNTY	1714	5	1,550	5	N/A	5	N/A	6	N/A	6
CITY OF BROWNSVILLE	1072	8	1,155	9	N/A	9	N/A	10	N/A	8
WAL-MART	1438	6	885	8	N/A	7	N/A	8	N/A	7
CONVERGYS	-	-	850	-	N/A	10	-	-	-	-
VBMC	2062	3	724	3	N/A	2	N/A	5	N/A	5
AMFELS	1185	7	706	6	N/A	6	N/A	3	N/A	3
HEB	760	10	645	7	N/A	8	-	-	-	-
HCISD	2396	2	-	2	N/A	3	N/A	2	N/A	2
VICKI ROY	878	9	-	-	-	-	-	-	N/A	10
DISH NETWORK	-	-	-	10	-	-	-	-	N/A	9
SBCISD	-	-	-	-	-	-	N/A	7	-	-
STRIPES LTD	-	-	-	-	-	-	N/A	9	-	-

N/A - Information was not available.

Source: San Benito Chamber of Commerce

OPERATING INFORMATION



Cameron Appraisal District

San Benito, Texas

Full-Time Equivalent Appraisal District Employees by Function/Program Last Ten Fiscal Years (Unaudited)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Number of full time equivalent positions:										
Administration services	7	7	7	7	7	7	8	8	8	8
Appraisal services	25	25	25	27	24	24	23	20	19	19
Support Staff/Other	18	18	18	15	16	16	15	17	18	19
Geographic Information Systems	3	3	3	3	3	3	3	6	5	3
Information systems	3	3	3	4	5	6	6	6	6	7
Total regular positions	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>55</u>	<u>56</u>	<u>55</u>	<u>57</u>	<u>56</u>	<u>56</u>

Source: Cameron Appraisal District

*Data represents employed positions at year-end based on human resources records.

Cameron Appraisal District
San Benito, Texas

Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

Function/program	2011	2010	2009	2008
Appraisal:				
Appraisal value (in thousands)	\$ 18,022,428,910	\$ 17,807,316,711	\$ 17,651,379,798	\$ 17,595,253,181
Number of parcels	205,753	204,844	203,261	201,601
Accounts appraised	205,753	204,844	203,261	201,601
Appraisal review board members	12	12	12	12
Taxing entities	40	40	40	40
Informal hearings	7,030	7,280	6,494	3,986
Formal hearings	1,487	1,770	1,565	2,243
Full notices mailed - real property	179,452	177,401	179,546	178,017
Accounts:				
Residential accounts	113,532	111,765	109,927	109,326
Commercial accounts	17,467	17,113	16,893	17,029
Mobile home accounts	6,848	6,681	6,714	6,827
Leased equipment - multi-locations	1,043	1,031	1,080	1,100
Leased vehicle - multi-locations	293	295	297	288
Mineral accounts	75	75	47	79
District accounts	1,046	1,053	1,038	1,017
Exemptions:				
Homestead	58,952	58,659	58,398	57,511
Over 65	19,494	19,151	18,885	18,534
Disabled veterans	1,881	1,817	1,684	1,599
Disabled residential homestead	2,955	2,962	2,975	2,873
Abatements	4	5	2	5
Absolute	11,205	10,881	10,796	10,269
Freeport	117	118	128	121

N/A- Information was not available.

Sources: Cameron Appraisal District
Real Estate Center At Texas A&M University, from the Market Report 2011 for the
Brownsville-Harlingen area.

	2007	2006	2005	2004	2003	2002
\$	16,549,387,180	\$ 15,293,286,138	\$ 13,364,865,285	\$ 12,360,307,252	\$ 11,239,556,111	\$ 10,452,001,570
	197,737	193,977	189,254	184,074	180,401	175,678
	197,737	193,977	189,254	184,074	180,401	175,678
	12	12	10	12	12	12
	40	40	40	40	40	40
	6,052	8,219	5,896		2,833	
	1,607	1,386	728		710	
	170,336	172,589	168,410	166,202	162,684	158,460
	106,734	102,559	97,837	94,327	91,302	89,434
	16,479	15,838	15,467	14,625	15,502	15,705
	6,792	7,002	7,000	7,076	6,808	6,805
	1,043	962	869	1,051	1,300	1,424
	259	239	315	374	439	457
	105	110	222	183	232	333
	1,011	983	790	950	937	933
	56,350	55,010	54,879	54,511	52,232	53,546
	18,207	17,882	17,873	17,970	17,465	18,326
	1,508	1,352	1,478	1,175	1,060	1,020
	2,717	2,576	1,345	2,506	2,279	2,305
	8	11	6	6	8	11
	10,074	10,069	9,257	9,559	9,512	9,203
	113	122	116	121	106	96

Cameron Appraisal District
San Benito, Texas

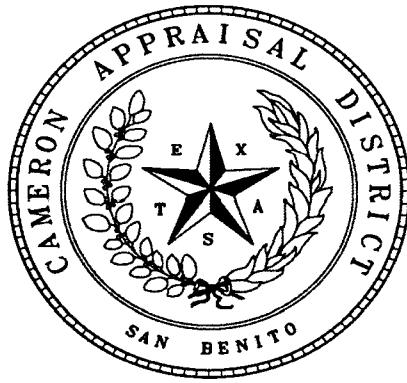
Building Square Footage
Owned by the Primay Government
By Functions/Programs

(Unaudited)

	2011	2010	2009	2008	2007
Governmental Activities					
Appraisal Services	15,860	15,860	15,860	15,860	15,860
	2006	2005	2004	2003	2002
Governmental Activities					
Appraisal Services	15,860	15,860	15,860	15,860	15,860

Source: Cameron Appraisal District

INTERNAL CONTROL / COMPLIANCE SECTION



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&
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*Oscar R. González
Melissa González*

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To Members of the Board of the
Cameron Appraisal District
San Benito, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cameron Appraisal District, as of and for the year ended December 31, 2011, which collectively comprise the Cameron Appraisal District's basic financial statements and have issued our report thereon dated April 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Cameron Appraisal District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cameron Appraisal District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Cameron Appraisal District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cameron Appraisal District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, board members, others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

Oscar R. Gonzalez, CPA & Associates PLLC

Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
April 5, 2012

Cameron Appraisal District
San Benito, Texas

Schedule of Findings and Responses
December 31, 2011

FINDINGS: NONE